Idaho Economic Forecast

JAMES E. RISCH, Governor

Division of Financial Management

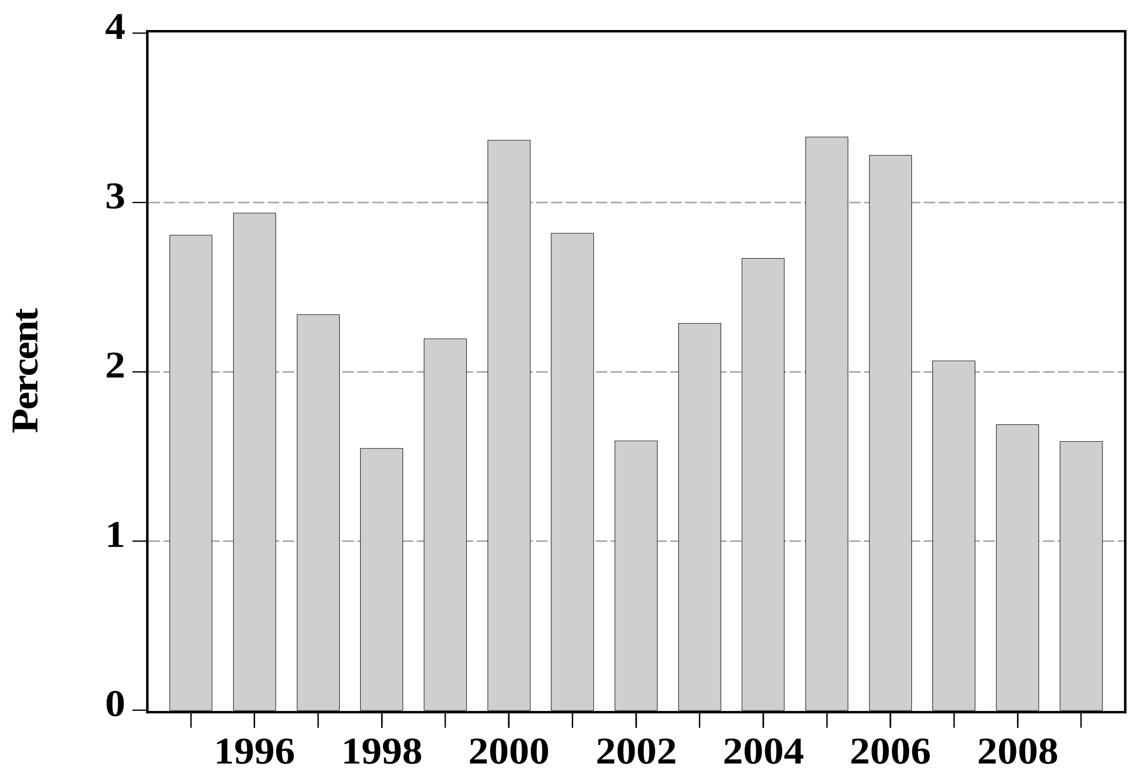
Vol. XXVIII, No. 3

ISSN 8756-1840

July 2006

- Forecast 2006-2009
- Job Matching: Evidence from the Beveridge Curve
- Alternative Forecasts

Consumer Price Inflation



Source: Global Insight

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IDAHO ECONOMIC FORECAST 2006 - 2009

State of Idaho
JAMES E. RISCH
Governor

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06-07/385/010200-180-4001

PREFACE

Idaho's economy continues to grow and evolve as it enters the 21st Century. The 1980s was a decade of stop-and-start economic performance. However, it also ushered in one of the longest expansions in the state's history. Since 1987, nonfarm employment has expanded in every year and has consistently placed Idaho among the top ten fastest growing states in the nation. The 1990s saw a flood of new residents move into the state, causing the population to expand by an astounding 29% from 1990 to 2000. Over this period Idaho personal income nearly doubled. Much of the current expansion results from ongoing structural changes in Idaho's economy.

One of the biggest changes is the rise of the state's high-technology sector. Virtually nonexistent in the 1970s, this sector achieved critical mass in the 1990s to become the state's largest manufacturing employer. The growth of industry giants, such as Micron Technology and Hewlett-Packard, as well as the emergence and expansion of smaller companies, pushed payrolls above even the most optimistic forecasts made in the 1980s. The state's trade sector has also been going through a transformation. The last decade witnessed an influx of national "big box" merchandisers. During this same time, Idaho merchants successfully reached beyond the state's borders. Several regional shopping centers were established that serve locals, as well as attract shoppers from other states and Canada. Visitors fueled the surge in tourism that also benefited trade. Like its national counterpart, the service sector accounts for most of the nonfarm jobs in Idaho. Tourism has also been a boon to the service industry. While traditional factors, such as increasing discretionary income, continue to fuel the demand for services, other influences have emerged. For example, the use of temporary employees in manufacturing has bolstered business services employment. Idaho's outstanding work force has been a major factor in attracting call centers, back office operations, and credit card companies.

While many changes are taking place today, traditional resource industries still play a major role in Idaho's economy. Indeed, the state's mining, agriculture, and timber sectors all experienced lulls in the late 1990s. While displaying more resilience to downturns than in the past, these industries are not totally immune from business-cycle effects. This continuing dependence on natural resources will bring a host of challenges to Idaho.

Other factors that are external to the state's economy will also present challenges to decision makers. Public policy decisions made in Washington, D.C. affect resource industry and federal installations such as the Idaho National Laboratory and the Mountain Home Air Force Base. Finding balanced and acceptable solutions to endangered and threatened species issues and timber supply issues are of major economic significance.

In order to deal effectively with these challenges, public and private decisions need to be made with a thorough understanding of the structure of the state's economy. It is to this end that the *Idaho Economic Forecast* is directed.

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TABLE OF CONTENTS

INTRODUCTION

The national forecast presented in this publication is the July 2006 Global Insight baseline forecast of the U.S. economy. The previous *Idaho Economic Forecast* is based on the March 2006 Global Insight baseline national forecast.

The cover graph shows how inflation has heated up recently. Inflation slowed to a 1.6% pace in 2002, but has sped up in every year since. Consumer inflation, fueled by soaring energy prices, hit a five-year high of 3.4% last year. Inflation is projected to be virtually the same in 2006, as the impacts of persistently high oil prices spread beyond the energy sector and into the price of other goods and services. The current forecast assumes oil prices will recede gradually, and this will help the inflation rate to dip below 2.0% by 2008.

FEATURE

The feature article is titled "Job Matching: Evidence from the Beveridge Curve." It examines the evidence on long-term shifts in the speed and efficiency of job matching in U.S. labor markets by using the so-called Beveridge curve. The Beveridge curve is an empirical measure of the relationship between the job vacancy rate and the unemployment rate. Rob Valletta and Jaclyn Hodges of the San Francisco Federal Reserve Bank wrote this article. The authors utilize new data from the U.S. Bureau of Labor Statistics to construct a long-term vacancy series and corresponding estimates of the Beveridge curve.

THE FORECAST

Alternative assumptions concerning future movements of key economic variables can lead to major variations in national and/or regional outlooks. Global Insight examines the effects of different economic scenarios, including the potential impacts of international recessions, higher inflation, and future Federal Reserve Board decisions. Alternative Idaho economic forecasts were developed under different policy and growth scenarios at the national level. These forecasts are included in this report.

Historical and forecast data for Idaho and the U.S. are presented in the tables in the middle section of this report. Detail is provided for every year from 1992 to 2009 and for every quarter from 2003 through 2008. The solution of the Idaho Economic Model (IEM) for this forecast begins with the second quarter of 2006.

Descriptions of the Global Insight U.S. Macroeconomic Model and the IEM are provided in the Appendix. Equations of the IEM and variable definitions are listed in the last pages of this publication.

CHANGES

The historical employment data used in this forecast was provided by the Idaho Department of Commerce and Labor and was seasonally adjusted by the Idaho Division of Financial Management (DFM). The data consists of final employment estimates through the fourth quarter of 2005 and preliminary data for the first quarter of 2006. These data show Idaho nonfarm employment was 620,397 in the fourth quarter of 2005 and 630,368 in this year's first quarter. These new estimates show employment was about 3,000 lower than the forecast in the fourth quarter of last year and it was nearly 2,000 higher than the forecast in the first quarter of 2006.

The tables in this forecast include the U.S. Bureau of Economic Analysis' (BEA) June 2006 estimates of Idaho quarterly personal income through the first quarter of 2006. These data have been revised back through 2005. The BEA's next round of Idaho personal income estimates will be released in late September 2006. These new estimates will be incorporated into the October 2006 *Idaho Economic Forecast*.

The *Idaho Economic Forecast* is available on the Internet at http://dfm.idaho.gov/Publications/Econ_Publications.html. Readers with any questions should contact Derek Santos at (208) 854-3070 or at dsantos@dfm.idaho.gov.

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EXECUTIVE SUMMARY

The Idaho economic outlook has brightened since the previous forecast. This improvement reflects the combined positive impacts of the state's recent economic performance and the projected stronger national economy. The strong performance of the state's goods-producing sector in the first quarter resulted in actual total nonfarm employment coming in much stronger than had been anticipated. Bolstered by the surge of construction employment, Idaho goods-producing employment came in about 2,800 jobs above target. On the other hand, nongoods-producing employment came in about 800 jobs below expectations. The net result is Idaho total nonfarm employment was nearly 2,000 higher in this year's first quarter than had been predicted in April 2006. The recent strong employment performance has increased the jobs forecast in two ways. First, it has raised the starting point of the forecast by about 2,000 jobs. Second, the state's job growth has more momentum than had been previously predicted. These two factors, combined with the improved national economic outlook, translate into higher future job growth. Specifically, Idaho nonfarm employment was previously forecast to expand an average of 2.7% annually from 2005 to 2009. In the current forecast it advances 3.0% per year. At this higher pace, Idaho nonfarm employment reaches about 688,100 jobs in 2009, which is about 5,600 more jobs than in the previous forecast. Idaho nominal personal income is forecast to expand about 6.7% per year through 2009, which is significantly faster than at the national level (5.7%). Adjusting for inflation, Idaho personal income is forecast to increase 4.6%, which is also faster than its national counterpart.

The U.S. economic forecast has improved marginally from the previous forecast. In the April 2006 forecast it was expected GDP growth would seesaw from 3.4% this year to 2.4% next year then average about 3.2% annual growth in 2008 and 2009. The current forecast calls for real output to expand 3.4% in 2006 and 2.6% in 2007 followed by 3.2% growth thereafter. As a result of the stronger start, U.S. real GDP is about $30 billion higher in 2009 than in the previous forecast. The outlook for employment has also improved. In the current forecast employment grows faster in 2007 and 2008 than in the previous forecast, resulting in over one-half million more jobs in 2009. Interestingly, national real personal income is lower in this forecast than in the previous one. This difference reflects the predicted lower levels for farm proprietors' income and dividends, interest, and rent payments. Overall, U.S real personal income should rise about 3.6% annually, which is down slightly from the previously forecasted 3.7% pace. A marked difference between this forecast and the previous one is short-term inflation is higher in this forecast. Specifically, the consumer price index rises by 3.3% in 2006 and 2.1% in 2007. The June rate hike showed the Federal Reserve is determined above all to keep a lid on inflation. This forecast assumes the Federal Reserve will raise rates by 25 basis points on August 8, 2006. In 2007, with GDP growing below its trend and inflation easing, the Federal Reserve will begin to lower the federal funds rate to 4.75% by that year's end. Strong economic growth is having a beneficial impact on the federal budget deficit. The fiscal year 2006 federal budget deficit should come in at $289 billion, which is below last year's $319 billion deficit. While current strong collections do not eliminate the need for strong budget medicine down the road in the form of higher taxes and/or program cuts, it does postpone when those decisions will have to be made. This forecast assumes Congress will not allow all of the president's personal tax reductions to expire as scheduled. But the forecast also assumes Congress will tinker enough to raise federal personal income tax receipts toward their historical average of 8.2% of GDP.

IDAHO ECONOMIC FORECAST
EXECUTIVE SUMMARY
JULY 2006

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
GDP (BILLIONS)												
Current $	8,747	9,268	9,817	10,128	10,470	10,971	11,734	12,487	13,297	13,947	14,655	15,418
% Ch	*5.3%*	*6.0%*	*5.9%*	*3.2%*	*3.4%*	*4.8%*	*7.0%*	*6.4%*	*6.5%*	*4.9%*	*5.1%*	*5.2%*
2000 Chain-Weighted	9,067	9,470	9,817	9,891	10,049	10,321	10,756	11,135	11,513	11,808	12,179	12,565
% Ch	*4.2%*	*4.4%*	*3.7%*	*0.8%*	*1.6%*	*2.7%*	*4.2%*	*3.5%*	*3.4%*	*2.6%*	*3.1%*	*3.2%*
PERSONAL INCOME - CURR $												
Idaho (Millions)	27,287	29,068	31,290	33,054	33,849	34,654	37,498	40,278	42,711	45,913	48,955	52,185
% Ch	*7.6%*	*6.5%*	*7.6%*	*5.6%*	*2.4%*	*2.4%*	*8.2%*	*7.4%*	*6.0%*	*7.5%*	*6.6%*	*6.6%*
Idaho Nonfarm (Millions)	26,350	28,054	30,448	32,039	32,921	33,938	36,321	38,894	41,658	44,758	47,789	51,007
% Ch	*7.1%*	*6.5%*	*8.5%*	*5.2%*	*2.8%*	*3.1%*	*7.0%*	*7.1%*	*7.1%*	*7.4%*	*6.8%*	*6.7%*
U.S. (Billions)	7,423	7,802	8,430	8,724	8,882	9,169	9,713	10,238	10,801	11,403	12,068	12,773
% Ch	*7.3%*	*5.1%*	*8.0%*	*3.5%*	*1.8%*	*3.2%*	*5.9%*	*5.4%*	*5.5%*	*5.6%*	*5.8%*	*5.8%*
PERSONAL INCOME - 2000 $												
Idaho (Millions)	28,429	29,788	31,289	32,376	32,690	32,840	34,638	36,183	37,335	39,367	41,248	43,246
% Ch	*6.6%*	*4.8%*	*5.0%*	*3.5%*	*1.0%*	*0.5%*	*5.5%*	*4.5%*	*3.2%*	*5.4%*	*4.8%*	*4.8%*
Idaho Nonfarm (Millions)	27,452	28,748	30,447	31,382	31,795	32,162	33,550	34,939	36,415	38,376	40,265	42,269
% Ch	*6.1%*	*4.7%*	*5.9%*	*3.1%*	*1.3%*	*1.2%*	*4.3%*	*4.1%*	*4.2%*	*5.4%*	*4.9%*	*5.0%*
U.S. (Billions)	7,734	7,996	8,429	8,545	8,578	8,689	8,973	9,197	9,442	9,777	10,168	10,585
% Ch	*6.4%*	*3.4%*	*5.4%*	*1.4%*	*0.4%*	*1.3%*	*3.3%*	*2.5%*	*2.7%*	*3.5%*	*4.0%*	*4.1%*
HOUSING STARTS												
Idaho	10,105	10,334	11,468	12,183	13,188	16,296	18,483	23,175	22,750	22,033	21,093	20,103
% Ch	*14.0%*	*2.3%*	*11.0%*	*6.2%*	*8.3%*	*23.6%*	*13.4%*	*25.4%*	*-1.8%*	*-3.1%*	*-4.3%*	*-4.7%*
U.S. (Millions)	1.621	1.647	1.573	1.601	1.710	1.854	1.950	2.073	1.927	1.755	1.754	1.732
% Ch	*9.9%*	*1.6%*	*-4.5%*	*1.8%*	*6.8%*	*8.4%*	*5.2%*	*6.3%*	*-7.0%*	*-8.9%*	*-0.1%*	*-1.2%*
TOTAL NONFARM EMPLOYMENT												
Idaho	520,477	538,099	558,578	568,028	568,030	572,522	588,037	611,691	639,126	658,232	673,638	688,116
% Ch	*2.6%*	*3.4%*	*3.8%*	*1.7%*	*0.0%*	*0.8%*	*2.7%*	*4.0%*	*4.5%*	*3.0%*	*2.3%*	*2.1%*
U.S. (Thousands)	125,924	128,992	131,792	131,832	130,342	129,993	131,424	133,459	135,383	137,175	139,096	140,785
% Ch	*2.6%*	*2.4%*	*2.2%*	*0.0%*	*-1.1%*	*-0.3%*	*1.1%*	*1.5%*	*1.4%*	*1.3%*	*1.4%*	*1.2%*
SELECTED INTEREST RATES												
Federal Funds	*5.4%*	*5.0%*	*6.2%*	*3.9%*	*1.7%*	*1.1%*	*1.3%*	*3.2%*	*5.1%*	*5.2%*	*4.8%*	*4.9%*
Bank Prime	*8.4%*	*8.0%*	*9.2%*	*6.9%*	*4.7%*	*4.1%*	*4.3%*	*6.2%*	*8.1%*	*8.2%*	*7.8%*	*7.9%*
Existing Home Mortgage	*7.1%*	*7.3%*	*8.0%*	*7.0%*	*6.5%*	*5.7%*	*5.7%*	*5.9%*	*6.7%*	*6.9%*	*7.0%*	*7.3%*
INFLATION												
GDP Price Deflator	*1.1%*	*1.4%*	*2.2%*	*2.4%*	*1.7%*	*2.0%*	*2.6%*	*2.8%*	*3.0%*	*2.3%*	*1.9%*	*2.0%*
Personal Cons Deflator	*0.9%*	*1.7%*	*2.5%*	*2.1%*	*1.4%*	*1.9%*	*2.6%*	*2.8%*	*2.8%*	*2.0%*	*1.8%*	*1.7%*
Consumer Price Index	*1.5%*	*2.2%*	*3.4%*	*2.8%*	*1.6%*	*2.3%*	*2.7%*	*3.4%*	*3.3%*	*2.1%*	*1.7%*	*1.6%*

National Variables Forecast by GLOBAL INSIGHT
Forecast Begins the SECOND Quarter of 2006

IDAHO ECONOMIC FORECAST
EXECUTIVE SUMMARY
JULY 2006

	2005				2006				2007			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GDP (BILLIONS)												
Current $	12,199	12,378	12,606	12,766	13,042	13,223	13,386	13,538	13,712	13,864	14,024	14,187
% Ch	*7.0%*	*6.0%*	*7.6%*	*5.2%*	*8.9%*	*5.6%*	*5.0%*	*4.6%*	*5.2%*	*4.5%*	*4.7%*	*4.7%*
2000 Chain-Weighted	10,999	11,089	11,202	11,248	11,404	11,470	11,549	11,628	11,691	11,758	11,848	11,934
% Ch	*3.8%*	*3.3%*	*4.1%*	*1.7%*	*5.6%*	*2.3%*	*2.8%*	*2.8%*	*2.2%*	*2.3%*	*3.1%*	*2.9%*
PERSONAL INCOME - CURR $												
Idaho (Millions)	39,532	40,024	40,388	41,167	41,374	42,434	43,135	43,902	44,778	45,615	46,263	46,999
% Ch	*10.6%*	*5.1%*	*3.7%*	*7.9%*	*2.0%*	*10.7%*	*6.8%*	*7.3%*	*8.2%*	*7.7%*	*5.8%*	*6.5%*
Idaho Nonfarm (Millions)	38,044	38,600	39,164	39,767	40,431	41,347	42,070	42,785	43,619	44,426	45,128	45,862
% Ch	*4.9%*	*6.0%*	*6.0%*	*6.3%*	*6.8%*	*9.4%*	*7.2%*	*7.0%*	*8.0%*	*7.6%*	*6.5%*	*6.7%*
U.S. (Billions)	10,073	10,186	10,250	10,441	10,582	10,737	10,875	11,011	11,175	11,327	11,476	11,632
% Ch	*2.0%*	*4.5%*	*2.6%*	*7.7%*	*5.5%*	*6.0%*	*5.3%*	*5.1%*	*6.1%*	*5.5%*	*5.4%*	*5.6%*
PERSONAL INCOME - 2000 $												
Idaho (Millions)	35,959	36,112	36,110	36,548	36,551	37,106	37,541	38,142	38,660	39,188	39,581	40,038
% Ch	*8.2%*	*1.7%*	*0.0%*	*4.9%*	*0.0%*	*6.2%*	*4.8%*	*6.6%*	*5.5%*	*5.6%*	*4.1%*	*4.7%*
Idaho Nonfarm (Millions)	34,606	34,827	35,016	35,305	35,718	36,156	36,614	37,172	37,660	38,166	38,610	39,069
% Ch	*2.6%*	*2.6%*	*2.2%*	*3.3%*	*4.8%*	*5.0%*	*5.2%*	*6.2%*	*5.4%*	*5.5%*	*4.7%*	*4.8%*
U.S. (Billions)	9,163	9,190	9,165	9,270	9,348	9,389	9,465	9,566	9,649	9,731	9,819	9,909
% Ch	*-0.3%*	*1.2%*	*-1.1%*	*4.7%*	*3.4%*	*1.7%*	*3.3%*	*4.3%*	*3.5%*	*3.5%*	*3.6%*	*3.8%*
HOUSING STARTS												
Idaho	23,136	22,686	24,763	22,114	23,231	22,568	22,635	22,564	22,348	22,104	21,919	21,763
% Ch	*60.7%*	*-7.6%*	*42.0%*	*-36.4%*	*21.8%*	*-10.9%*	*1.2%*	*-1.3%*	*-3.8%*	*-4.3%*	*-3.3%*	*-2.8%*
U.S. (Millions)	2.069	2.064	2.101	2.060	2.123	1.913	1.862	1.811	1.777	1.748	1.742	1.752
% Ch	*22.7%*	*-1.0%*	*7.4%*	*-7.6%*	*12.9%*	*-34.0%*	*-10.4%*	*-10.6%*	*-7.2%*	*-6.5%*	*-1.3%*	*2.3%*
TOTAL NONFARM EMPLOYMENT												
Idaho	604,084	607,416	614,869	620,397	630,368	636,909	642,085	647,141	651,715	656,131	660,523	664,557
% Ch	*6.0%*	*2.2%*	*5.0%*	*3.6%*	*6.6%*	*4.2%*	*3.3%*	*3.2%*	*2.9%*	*2.7%*	*2.7%*	*2.5%*
U.S. (Thousands)	132,694	133,230	133,750	134,161	134,722	135,148	135,624	136,038	136,492	136,934	137,391	137,881
% Ch	*1.4%*	*1.6%*	*1.6%*	*1.2%*	*1.7%*	*1.3%*	*1.4%*	*1.2%*	*1.3%*	*1.3%*	*1.3%*	*1.4%*
SELECTED INTEREST RATES												
Federal Funds	*2.5%*	*2.9%*	*3.5%*	*4.0%*	*4.5%*	*4.9%*	*5.4%*	*5.5%*	*5.5%*	*5.4%*	*5.2%*	*4.8%*
Bank Prime	*5.4%*	*5.9%*	*6.4%*	*7.0%*	*7.4%*	*7.9%*	*8.4%*	*8.5%*	*8.5%*	*8.4%*	*8.2%*	*7.8%*
Existing Home Mortgage	*5.8%*	*5.8%*	*5.8%*	*6.2%*	*6.4%*	*6.6%*	*6.8%*	*6.9%*	*6.9%*	*6.9%*	*6.9%*	*6.9%*
INFLATION												
GDP Price Deflator	*3.1%*	*2.6%*	*3.3%*	*3.5%*	*3.1%*	*3.1%*	*2.2%*	*1.8%*	*3.0%*	*2.1%*	*1.6%*	*1.7%*
Personal Cons Deflator	*2.3%*	*3.3%*	*3.7%*	*2.9%*	*2.0%*	*4.2%*	*1.9%*	*0.7%*	*2.5%*	*2.0%*	*1.7%*	*1.7%*
Consumer Price Index	*2.5%*	*3.7%*	*5.5%*	*3.2%*	*2.2%*	*5.1%*	*1.9%*	*0.2%*	*3.0%*	*2.2%*	*1.6%*	*1.7%*

National Variables Forecast by GLOBAL INSIGHT
Forecast Begins the SECOND Quarter of 2006

NATIONAL FORECAST DESCRIPTION

The Forecast Period is the Second Quarter of 2006 through the Fourth Quarter of 2009

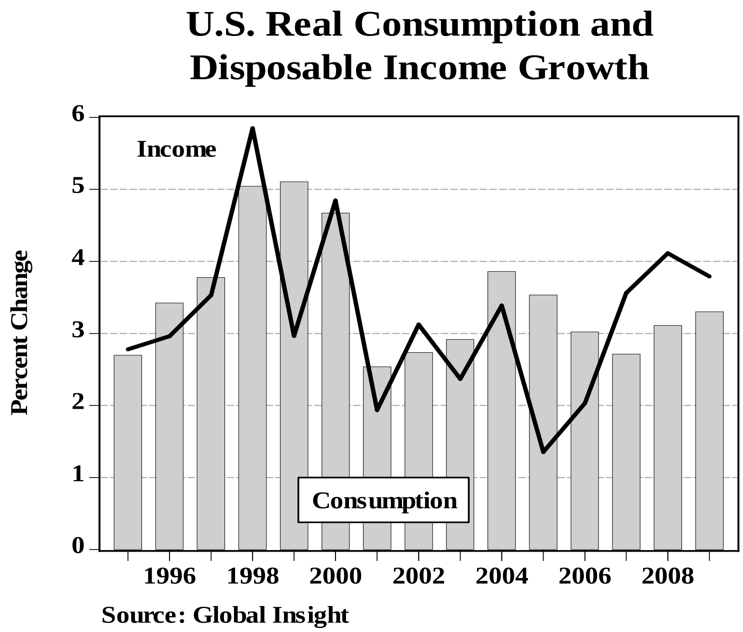
The U.S. economic forecast has improved marginally from the previous forecast. In the April 2006 forecast it was expected GDP growth would seesaw from 3.4% this year to 2.4% next year then average about 3.2% annual growth in 2008 and 2009. The current forecast calls for real output to expand 3.4% in 2006 and 2.6% in 2007 followed by 3.2% growth thereafter. As a result of the stronger start, U.S. real GDP is about $30 billion higher in 2009 than in the previous forecast. The outlook for employment has also improved. In the current forecast employment grows faster in 2007 and 2008 than in the previous forecast, resulting in over one-half million more jobs in 2009. Interestingly, national real personal income is lower in this forecast than in the previous one. This difference reflects the predicted lower levels for farm proprietors' income and dividends, interest, and rent payments. Overall, U.S real personal income should rise about 3.6% annually, which is down slightly from the previously forecasted 3.7% pace.

A marked difference between this forecast and the previous one is short-term inflation is higher in this forecast. Specifically, the consumer price index rises by 3.3% in 2006 and 2.1% in 2007. While this is relatively low by historical standards, it is above the 2.4% and 1.7% inflation rates reported in April 2006. The increased inflation expectations can be traced to energy prices that rise higher than previously expected and take longer to retreat. Oil prices illustrate this point. In the previous forecast the price of West Texas Intermediate crude was projected to peak at $64 per barrel in the first quarter of this year and decline to $52 per barrel by the end of 2009. In the current forecast the oil price apex of $71 per barrel occurs in the third quarter of this year and is $56 per barrel at the end of the forecast period. The higher oil price spills over into the price of non-energy goods and services.

The nation's central bank has been tightening in order to contain inflation while it is tame rather than try to capture it after it is out of control. However, the Federal Reserve's task is complicated by the cooling economy. The Federal Reserve is clearly worried about the risk of over-tightening, and thus sending the housing market into a tailspin. The June rate hike showed the Federal Reserve is determined above all to keep a lid on inflation. This forecast assumes the Federal Reserve will raise rates by 25 basis points on August 8, 2006. In 2007, with GDP growing below its trend and inflation easing, the Federal Reserve will begin to lower the federal funds rate to 4.75% by that year's end.

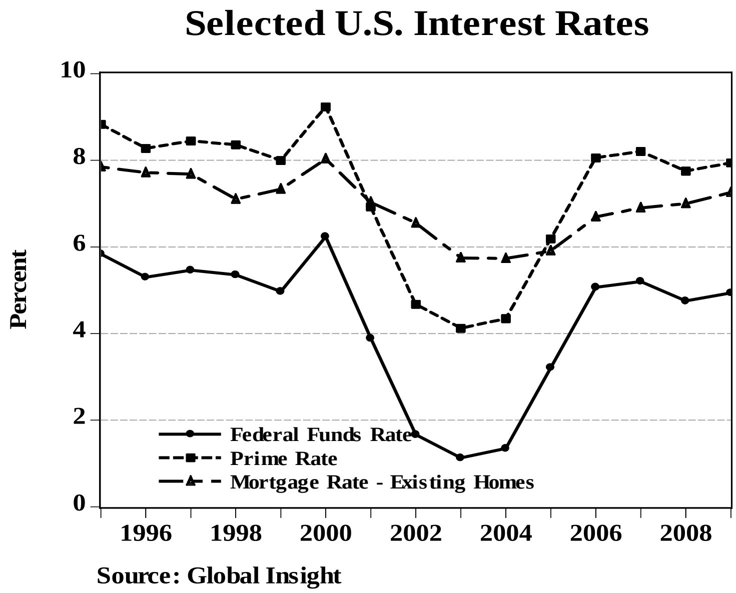
Strong economic growth is having a beneficial impact on the federal budget deficit. Despite hurricane-related spending and the launch of the Medicare prescription plan, revenues are up so sharply this year the federal budget deficit is likely to narrow. The fiscal year 2006 federal budget deficit should come in at $289 billion, which is below last year's $319 billion deficit. While current strong collections do not eliminate the need for strong budget medicine down the road in the form of higher taxes and/or program cuts, it does postpone when those decisions will have to be made. This forecast assumes Congress will not allow all of the president's personal tax reductions to expire as scheduled. But the forecast also assumes Congress will tinker enough to raise federal personal income tax receipts toward their historical average of 8.2% of GDP.

SELECTED NATIONAL ECONOMIC INDICATORS



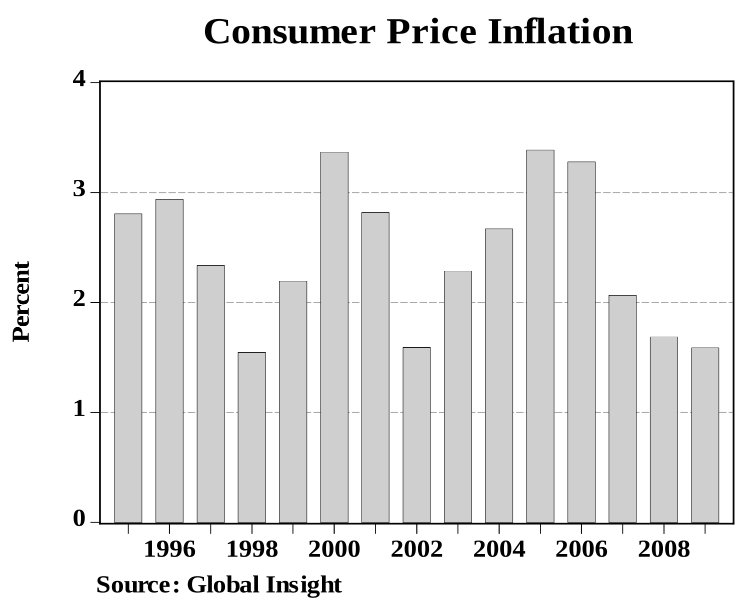
Consumer Spending: As anticipated, real consumer spending growth has downshifted. Monthly gains in real consumption have subsided from a peak of 0.9% in November 2005 to about 0.2% in May 2006. In fact, monthly gains have been no more than 0.3% so far this year. This decline reflects a combination of factors. Most notably, it appears soaring gasoline prices have taken their toll on consumer confidence. The University of Michigan, Conference Board, and ABC/ Washington Post measures of confidence all declined in May 2006. It should be noted the Michigan index fell to 79.1 in May—its lowest level since the post-hurricane reading of 74.2 last October and below levels that prevailed throughout the 2001 recession. In addition to rising gasoline prices, inflation worries and rising interest rates are also undermining consumer confidence. As consumers grow worried about the broader economic outlook as well as their personal finances, real consumer spending is projected to slow from a 5.1% annual rate in the first quarter of 2006 to a 2.1% annual pace in the second quarter. Spending should rebound slightly in the second half of this year, but remain below 3%. The deceleration is most pronounced in durable goods, especially vehicles and home furnishings. Additionally, rising prices have increased consumers' energy bills, leaving less for purchases on other items. Soaring gasoline prices have dampened the motor vehicle market, especially for large SUVs. The abrupt slowdown in home price appreciation, along with declining single-family home sales, construction, and remodeling point to weaker spending on home furnishings. Home-equity withdrawals through mortgage refinance or home-equity loans have been a popular source of funding home improvements and furnishings. But rising interest rates and slower home price increases are closing these options. Another closing door is savings; the U.S. personal savings rate is negative. With fewer options available for continuing their recent shopping spree, real consumer spending should expand more in line with real income in the future. This marks a significant change; real consumption has grown faster than real disposable income in every year since 2002. The slower real spending will also be a drag on the economy during the forecast period. Robust consumer spending kept the U.S. economy afloat in recent years. Real consumption has grown faster than real GDP in every year from 1998 to 2003. The gap between spending and output was widest in 2001, as the economy slipped into a mild recession. Real consumer spending is anticipated to expand slower in the second half of this decade than during the first half. Specifically, real spending is forecast to increase 3.0% this year, 2.7% next year, 3.1% in 2008, and 3.3% in 2009. Real disposable income benefits from the anticipated acceleration in real wages. Real household net worth is expected to grow over the forecast period, but not as fast as it had earlier this decade. The U.S. personal savings rate's return to positive territory is delayed until 2008.

Financial Markets: It appears the nation's central bank is close to ending its most recent round of tightening that began on June 30, 2004. The Federal Open Market Committee voted to raise the federal funds rate to 5.25% on June 29, 2006. Whether this was its last advance in its inflation war, remains to be seen. Many experts believe the Federal Reserve will push its bellwether interest another 25 basis points in August when it meets again. What the Federal Reserve does ultimately depends on whether it believes inflation has been contained. This decision will not be easy because of sometime conflicting



data. On one hand, the core inflation readings are moving up, and high levels of resource utilization, together with higher energy prices have the potential to sustain inflationary pressures. On the other hand, productivity gains are restraining unit labor costs. This forecast assumes the Federal Reserve will lean toward putting more weight on the "inflation risk" side of the ledger than the "weaker growth" side, so as to build its inflation-fighting credibility. As such, it is assumed the nation's central bank will raise the federal funds rate 25 basis points on August 8, 2006. After this move, the central bank is expected to pause. The federal funds rate should remain steady until the second quarter of next year when the slowing economy causes the Federal Reserve to begin easing. This round of loosening is not anticipated to be as steep as the previous one where the federal funds rate dropped from 6.25% in December 2000 to 1.00% in June 2003. Specifically, the federal funds rate is projected to decline from 5.5% in the first quarter of 2007 to 4.8% by that year's last quarter. While this is the most likely path of the federal funds rate, other outcomes, while not as probable, are also possible. For example, the Federal Reserve policy would be tighter if inflation heated up. On the other hand, lower inflation would lead the central bank to adopt a more relaxed monetary policy.

Inflation: Consumer price inflation, as measured by the consumer price index, should be 3.3% this year and decline to half that level by 2009. Most of this year's inflation outlook reflects energy prices that began soaring last year. The price of West Texas Intermediate crude averaged $70.96 per barrel, a 26% increase from the previous year. Factors driving up the price of crude include the start of the Gulf of Mexico hurricane season, continued tensions in Iran and Nigeria, and the outbreak of hostilities between Hezbollah and Israel. As a result of rising oil prices, the price of gasoline is near $3 per gallon. These higher prices are not confined to petroleum products, but are beginning to spill over into a wide range of goods and services. For example, airline ticket prices reflect higher fuel prices. Interestingly, not all energy prices have been rising. The Henry Hub natural gas spot price in May 2006 was 13% below the previous year's level, partially the result of a mild winter and rising inventories. Inflation pressure should ease as oil prices gradually decline to $56 per barrel in 2009. But part of this decline will be offset by accelerating core inflation, which is overall inflation less food and energy, that is propelled by rising labor costs. As a result the core inflation rate is actually higher than the overall inflation rate after 2006.



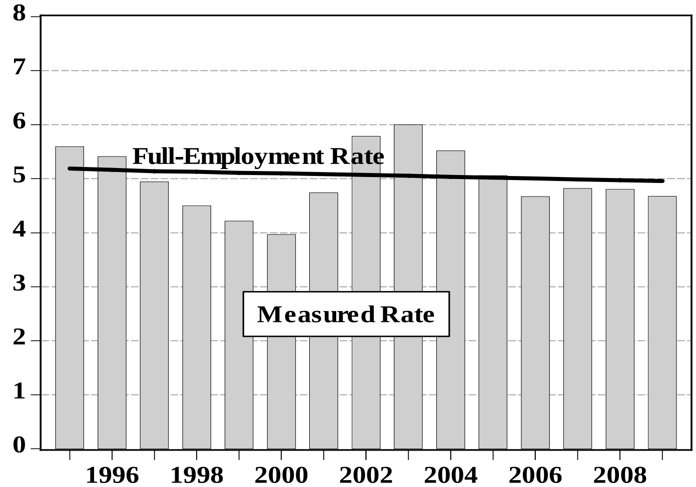
Specifically, the consumer price index for all items is forecast to increase 3.3% in 2006, 2.1% in 2007, 1.7% in 2008, and 1.6% in 2009. Core inflation is projected to rise 2.5% in 2006, 2.4% in 2007, 2.1% in 2008, and 2.0% in 2009.

International: The foreign trade sector should stop being a drag on GDP growth in the second quarter of this year as a result of robust exports and restrained imports. The robust export growth should continue because of solid growth overseas. The annual inflation-adjusted trade deficit expands to $648 billion this year, but should decline thereafter. The nominal trade deficit takes longer to stabilize, as high commodity prices—especially oil—keep the nominal trade shortfall rising for half a year after the real deficit has begun to shrink. High oil prices swell the nominal trade deficit to $801 billion in 2006 before it dips to $770 billion in 2007 and falls further to $671 billion in 2009. Unfortunately, not all deficits are expected to shrink; the current account balance barely budges from $883.6 billion in 2006 to $850.3 billion in 2009. The current account deficit stays stubbornly high because declining net income from abroad and net transfers to foreigners. Net income from abroad, which was a surplus of $11.3 billion in 2005, becomes an $83.6 billion deficit by 2009—a swing of $94.9 billion. The net transfer to foreigners' deficit grows by over $20 billion from $86.1 billion in 2005 to $107.2 billion in 2009. The large current account deficit exerts downward pressure on the dollar, causing it to slide over the forecast period. The greenback's decline would be steeper but for the relatively high long-term interest rates that make investing in the U.S. more attractive compared to other countries.

Business Investment: National business investment will shoulder a greater share of economic growth as two growth engines, consumer spending and housing, downshift over the forecast period. Although real business spending is expected to decelerate over the next few years, it should grow faster than real GDP. As a result business spending's share of total output will climb from 10.2% in 2004 to a peak of 11.6% in 2007. After 2007, investment should gradually recede to 11.4% of output in 2009. As in the recent past, business spending is led by investment in its equipment and software category, which in turn is fueled in large part by its information processing equipment component. Real spending on information processing equipment is expected to expand 12.8% this year, 9.8% next year, 9.0% in 2008, and 9.1% in 2009. This component's relatively strong performance results from a combination of favorable factors. Increasingly powerful computers are viewed as one of the most cost efficient means to raise a company's productivity. Concerns over rising energy prices have made businesses cautious about investing in other types of equipment, freeing up funds to be spent on information processing equipment. With corporate profits high, American businesses are flush with funds to purchase equipment. Interestingly, spending on heavy trucks should surge in 2006 thanks to EPA regulation that take effect in 2007. Unfortunately, because of the accelerated spending, spending on heavy trucks plummets in the first quarter of 2007. In summary, real business investment is forecast to expand 9.2% in 2006, 6.4% in 2007, and 4.7% in both 2008 and 2009.

Employment: The economy is expected to remain at full employment through the forecast period. Robust job growth last year caused the unemployment rate to slip below the level considered full employment for the first time in four years. National nonfarm employment advanced at a 1.5% annual pace in each of 2005's first three quarters. Thanks to these job gains, the measured U.S. civilian unemployment fell to the estimated full-employment rate of 5% in the third quarter of 2005. Despite slower job growth at the end of last year, reflecting the impacts of Hurricane Katrina and Hurricane Rita, the unemployment rate managed to drop further to 4.9% in the last quarter. Recent weaker-than-anticipated job gains have raised concerns that the unemployment rate may soon be headed up once again. However, at this point such worries seem premature. Many economists were disappointed with the 121,000-job gain in June. As a result, monthly employment gains averaged 142,333 for the first half of this year, which is down slightly from 154,500 in last year's second half. It should also be pointed out the economy generated an average of 108,333 jobs per month in the second quarter of 2006, which is its weakest showing since the summer of 2003. However, there is a major difference between these two periods. The current labor market is much tighter than it was in 2003. In the summer of 2003 the unemployment rate was well above the full-employment threshold, but it is currently below the full employment level. Ironically, the low job growth may actually be a symptom of the economy's health. More people return to work as the economy improves. Eventually, the pool of jobseekers shrinks to the point where businesses have trouble finding qualified workers for job openings. As a result, job growth is not limited by the number of job vacancies, but by the number of available workers. It is also easier for workers to move into more lucrative positions when the economy is expanding. There is some evidence this may be taking place. Retail employment, which includes many entry-level jobs, has dropped over the past year. Retail jobs outside of motor vehicle dealers fell by 24,500 in the 12 months ended in June 2006. Nonfarm employment is forecast to expand 1.4% in 2006, 1.3% in 2007, 1.4% in 2008, and 1.2% in 2009.

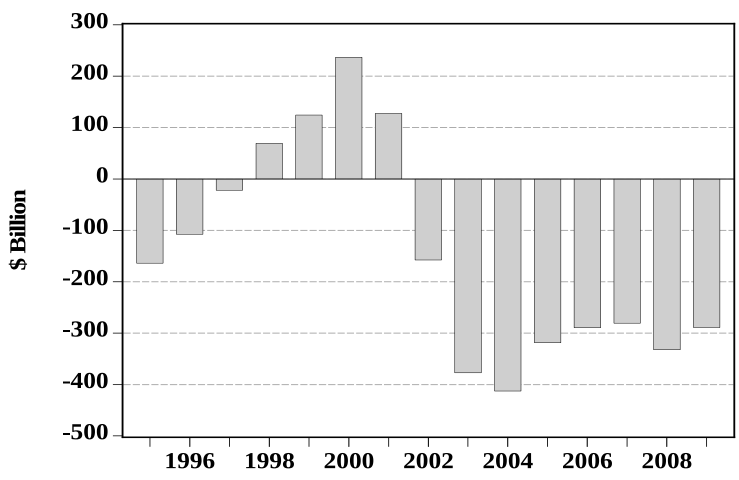
U.S. Civilian Unemployment Rate



Source: Global Insight

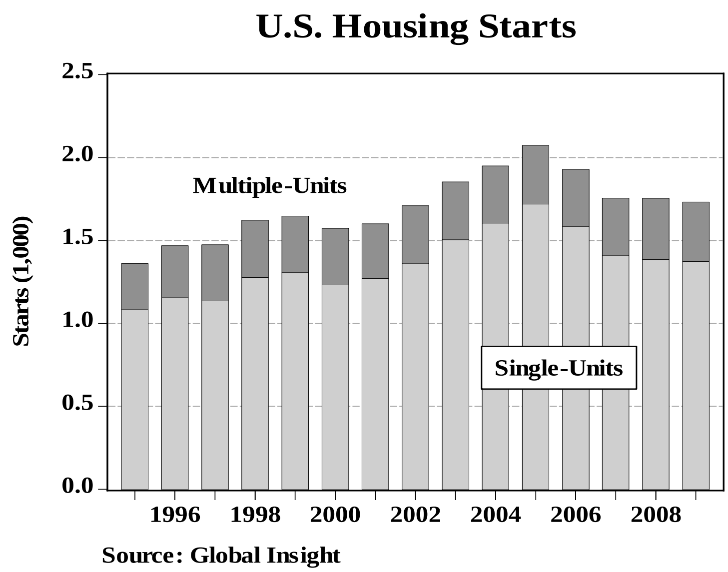
Government: The flood of revenue pouring into federal coffers has caused experts to lower their predictions of the federal budget deficit. While this deluge is not sufficient to fill the budget gap, it does shrink it more than had been predicted just a few months ago. The executive branch recently revised its estimate of the fiscal year 2006 budget deficit to $296 billion, a 30% decrease from its February 2006 projection of $423 billion. Global Insight's estimate of deficit reduction for fiscal year 2006 is smaller; it drops from $376 billion in February 2006 to $289 billion in July 2006. Interestingly, both deficit estimates are converging over time. The federal budget deficit is expected to

U.S. Federal Government Surplus Unified Basis



Source: Global Insight

improve slightly in fiscal year 2007 to $281 billion. However, it will rise to $332 billion in fiscal year 2008 as the cooling economy causes the federal government's revenue growth to slow and its outlays to accelerate. As the economy improves, the federal budget deficit should shrink once again.



Housing: Economic forces are slowing the housing market. After five record-breaking years, a combination of rising interest rates and rising home prices have driven up the price of housing, thus reducing affordability and demand. The Office of Federal Housing Enterprise Oversight's Housing Price Index was 12.5% higher in the first quarter of 2006 than in 2005. The cooling in the housing market, which began late last summer, is almost 10 months old. It has so far been an orderly one. If it is not there already, the housing sector is quickly approaching the point where it begins to subtract from GDP. This is a significant change since housing propped up the economy so far this decade. The housing sector will be a significant drag on GDP growth for the rest of this year, despite evidence that demand is softening at a slower rate than it was early this year. The growing inventories of new homes—which stand at a record high—will cause a further retreat in housing starts over the course of 2006. Specifically, housing starts should drop about 10% in the second quarter and nearly 3% in the third. The slowdown then moderates, although starts still fall through mid-2007. The drop in housing starts is the key reason behind the anticipated 14–15% spending declines in single-family construction during the second and third quarters of 2006. In turn, residential construction chops 0.7 percentage point and 0.8 percentage point off GDP growth in the third and fourth quarters of this year, respectively, and 0.5 percentage point off in 2007. The impact of falling residential construction should be partially offset by expanded real spending on nonresidential structures. However, this respite is temporary, as nonresidential spending sputters in 2008. New home sales, which took a hit in the first quarter, will rebound in the second quarter even if, as the forecast assumes, sales drop in June. Afterward, the slide resumes. The largest percentage decline takes place in 2006, and the downturn extends through 2008. The downturn in existing home sales will be milder than that for new homes. In summary, as long as the economy keeps on track and interest rates do not shoot up too much, the housing industry slowdown—which is more of a transition from a market powered by low interest rates to one driven by demographics—should remain smooth.

IDAHO FORECAST DESCRIPTION

The Forecast Period is the Second Quarter of 2006 through the Fourth Quarter of 2009

The Idaho economic outlook has brightened since the previous forecast. This improvement reflects the combined positive impacts of the state's recent economic performance and the projected stronger national economy. Since the details of the U.S. forecast are dealt with in the National Forecast Description section of this publication, they will not be repeated here. Instead, this analysis will focus on Idaho's recent history and near–term prospects. Idaho nonfarm employment in the last quarter of 2005 was nearly 3,000 jobs (0.5%) below DFM's April 2006 forecast, with virtually all of the difference in the nongoods-producing sector. The gap between forecasted and actual goods-producing sector employment was just four jobs.

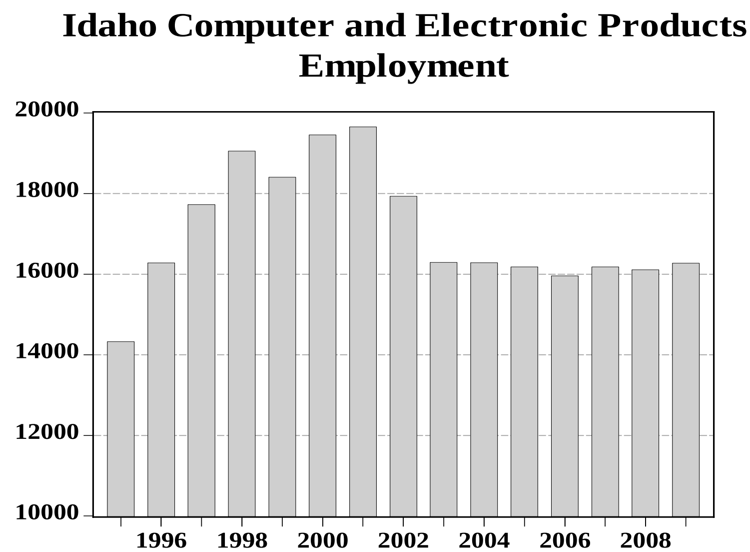
The strong performance of the state's goods-producing sector in the first quarter resulted in actual total nonfarm employment coming in much stronger than had been anticipated. Bolstered by the surge of construction employment, Idaho goods-producing employment came in about 2,800 jobs above target. On the other hand, nongoods-producing employment came in about 800 jobs below expectations. The net result is Idaho total nonfarm employment was nearly 2,000 higher in this year's first quarter than had been predicted in April 2006. Looked at another way, instead of growing at a projected 3.3% annualized pace during the first quarter of this year, Idaho nonfarm employment increased at a 6.6% annualized rate.

The recent strong employment performance has increased the jobs forecast in two ways. First, it has raised the starting point of the forecast by about 2,000 jobs. Second, the state's job growth has more momentum than had been previously predicted. These two factors, combined with the improved national economic outlook, translate into higher future job growth. Specifically, Idaho nonfarm employment was previously forecast to expand an average of 2.7% annually from 2005 to 2009. In the current forecast it advances 3.0% per year. At this higher pace, Idaho nonfarm employment reaches about 688,100 jobs in 2009, which is about 5,600 more jobs than in the previous forecast.

Interestingly, this year's first quarter Idaho personal income is actually weaker than in the previous forecast despite the improved job performance. One reason for this is the wage and salary payment component of personal income is down $36 million. This is expected because of the way data is collected and released. Traditionally, income data have a longer lag than employment numbers. As a result, initial income estimates provide a more dated picture of the economy than the employment data. The gap between these two measures is especially wide when the economic growth are rapidly growing or slowing. The income data eventually "catches up" with historical employment data. Because Idaho's economy has been rising so quickly, DFM believes the current wage and salary payments estimates underestimate actual activity and, as such, will be revised upward in the future. The initial estimates for farm proprietors' income and interest, dividends, and rents are below their previously forecasted counterparts. Farm proprietors' income estimates are notoriously volatile, and they can be revised for several years after their initial release. Dividends, interest, and rents are not usually subject to huge revisions, so this component deserves close watching.

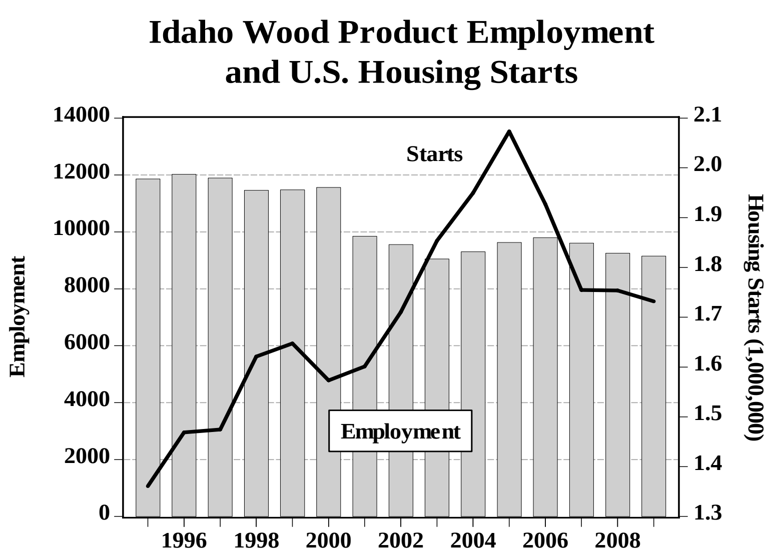
Idaho nominal personal income is forecast to expand about 6.7% per year through 2009, which is significantly faster than at the national level (5.7%). Adjusting for inflation, Idaho personal income is forecast to increase 4.6%, which is also faster than its national counterpart.

SELECTED IDAHO ECONOMIC INDICATORS



Computer and Electronics: Idaho's computer and electronics manufacturing employment is forecast to hover near 16,000 jobs over the next few years. The good news is this represents a welcome change from the declines it suffered over the past five years. The bad news is this is well below its peak of nearly 19,700 jobs in 2001. This sector lost about 3,500 jobs from 2002 to 2005. About 100 of these jobs will be recovered over the forecast period. This outlook is slightly weaker than in the April 2006 forecast, where it was projected about 750 jobs would be added over the same period. Nevertheless, the computer and electronics sector is expected to remain the state's largest manufacturing employer into the foreseeable future. Micron Technology is Idaho's largest high-tech employer. Micron Technology is diversifying its product line in order to insulate itself from downturns in the DRAM market. To this end, the company announced it is investing in a new joint venture with Intel to produce NAND flash memory. This type of memory is used in digital cameras, cell phones, and MP3 players. In addition, Micron acquired Lexar Media, Inc. this summer. Lexar is a leading marketer and manufacturer of NAND flash memory products including memory cards, USB flash drives, card readers, and ATA controller technology for the digital photography, consumer electronics, industrial, and communications markets. The move will create synergy that will strengthen Micron's presence in the fast growing NAND memory market.

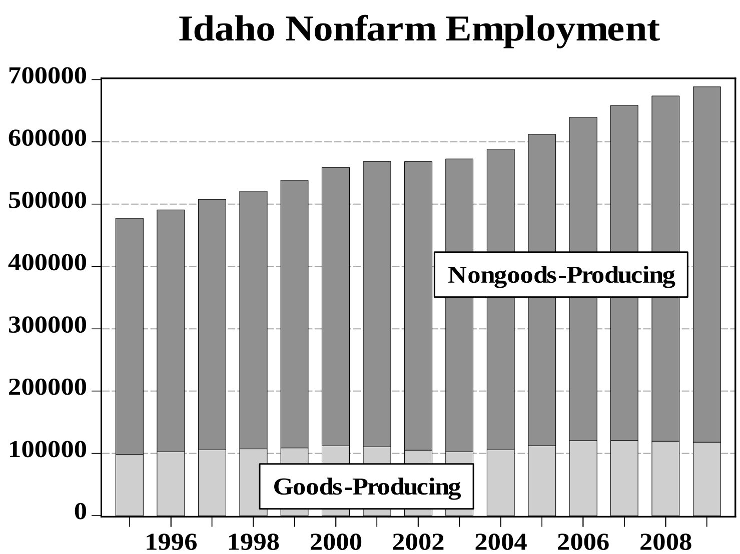
Logging and Wood Products: Idaho's lumber and wood products sector is enjoying a respite from the job losses that plagued it during the second half of the last decade and the beginning years of this decade. Unfortunately, several factors suggest this sector will begin to experience job losses again in the near future. This decline reflects both cyclical and structural pressures. The most significant cyclical factor is the anticipated decline in housing demand. National housing starts, which have enjoyed record annual gains recently, are expected to retreat during the forecast period. As a result, wood products production is expected to slide for the first time since 2003 beginning in 2007. This does not bode well for this industry that has been challenged even during the best of times. For example, although U.S. housing starts expanded nearly 18% from 2000 to 2003, the Gem State's lumber and wood products sector shed 20% of its jobs.



These declines were due to trends that are exerting negative pressures on this sector's employment. One of these trends is the growing efficiency of Idaho wood mills. In order to remain competitive, wood manufacturers have learned to do more with less labor. The impact of this trend is clearly evident. According to calculations based on U.S. Forest Service data, each Idaho logging and wood products sector employee produced about 215,000 board feet of lumber in 2003, which is well above the 172,000 board feet of lumber per worker produced in 1993. The industry has achieved these huge productivity gains by closing older plants and revamping other mills. Both options reduced labor requirements. There will be a constant need for innovation in order to remain competitive in an industry that already has excess capacity. Strong markets in the 1990s led to heavy capital investment in this sector. As a result, it is estimated the industry can produce 20% to 25% more lumber than is being consumed in North America. The biggest challenge Idaho's lumber and wood products sector faces is the dwindling supply of timber from public forests. The U.S. Forest Service estimates the harvest from Idaho national forests fell from 586.2 million board feet in 1993 to 123.2 million board feet in 2003, a decline of nearly 80%. Idaho logging and wood products employment is expected to increase 1.7% this year followed by declines of 1.9% next year, 3.8% in 2008, and 1.0% in 2009.

Construction: It appears the red-hot construction sector has peaked and will gradually decline over the forecast period. Idaho housing starts climbed to an all-time annualized high of 24,800 units in the third quarter of 2005. This peak was followed by 22,114 units in the 2005's last quarter. Idaho starts jumped by about 1,000 units in this year's first quarter, but this increase may exaggerate starts. The housing data are adjusted to reflect seasonal variations. Housing starts are lowest during the winter, so the raw data are adjusted upwards. However, last winter was mild, so starts may not have declined as much as usual. Thus, boosting the raw data may overestimate seasonal housing starts during the first quarter of 2006. This same logic applies to construction employment, which posted a 37.3% annual gain in the same quarter. Before moving to the forecast of Idaho housing starts and construction employment, it is worthwhile to review history. It is truly amazing how long and how strong the housing expansion has been. Idaho's housing starts increased from just over 3,300 units in 1988 to nearly 23,200 units in 2005, which was a 12.2% annual gain over this 17-year period. Idaho construction employment rose about 5.7% annually from 1991 to 2005. To put this growth in perspective, one must remember Idaho nonfarm employment grew 3.2% annually over this same period. The housing sector has accelerated in recent years. For example, after displaying some softness in the mid-1990s, Idaho housing starts have grown every year since 1998. During the seven-year period from 1998 to 2005 housing starts grew from 8,900 to 23,175—a 160% increase, or about 15% per year. Not surprisingly, Idaho construction employment grew from 32,324 to 45,000 over the same period. Strong local housing demand has caused home prices to surge. Historically, Idaho housing home price appreciation has kept pace with the national consumer price index. However, in recent years Idaho housing prices have increased much faster than inflation, leading to fears the state's housing market is due for a correction. A correction is not without precedent. A hot market caused Idaho housing starts to peak at over 12,600 units in 1977, which was a threefold increase from 1970's 4,000 housing units. Three years later there were less than 6,000 housing starts

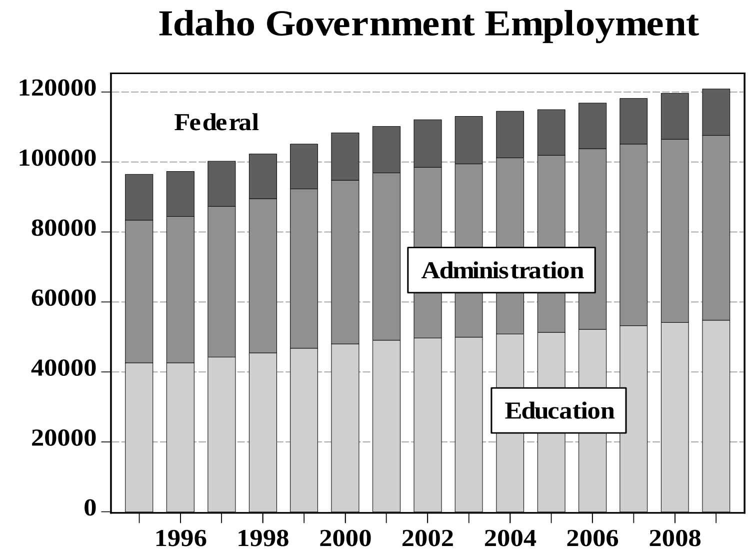
in the state. Housing starts remained below 6,000 units for the next decade. We do not anticipate a repeat of the 1970's retreat over the forecast period. While Idaho housing starts are expected to decline from their recent highs, it is believed this decline will be orderly and less steep than it was three decades ago. There are several reasons for this prediction. First, interest rates and population growth are expected to change gradually, giving the construction industry ample time to adjust. Second, although the Idaho housing sector has been robust, there does not appear to be a serious excess inventory of properties in the state. Third, recent studies to identify communities vulnerable to "housing bubbles" show no Idaho communities are at significant risk (most "bubbles" are concentrated on the coasts). Fourth, Idaho could benefit from a boom in second homes. Idaho housing starts are expected to slide to 22,750 units in 2006, 22,033 units in 2007, 21,093 units in 2008, and 20,103 units in 2009. Relatively strong nonresidential building should soften the impact of falling local housing starts on Idaho construction employment. Specifically, employment should rise to 51,807 this year and decline gradually to 48,742 jobs by 2009.



Nongoods-Producing Industries: The private nongoods-producing sector is the state's largest employer and will be its job growth champion over the forecast period. This sector accounted for over six of every ten nonfarm jobs in Idaho last year. The nongoods-producer sector can be divided into its services and trade components. Services consists of the following industries: information services; financial activities, transportation, warehousing, and utilities; professional and business services; education and health services; leisure and hospitality services; and other services. Trade is divided into retail and wholesale categories. The services component is the larger of the two, accounting for nearly three-quarters of this sector's employment. This component's employment has averaged 4.3% annual growth from 1991 to 2005, while trade employment has expanded 2.6% per year. The service component's strength is no surprise, given it includes some of the economy's most impressively performing industries. Together, the services and trade components should continue to outpace overall employment growth. Specifically, private nongoods-producing employment should expand 4.0% annually and total nonfarm employment should rise 3.0% per year.

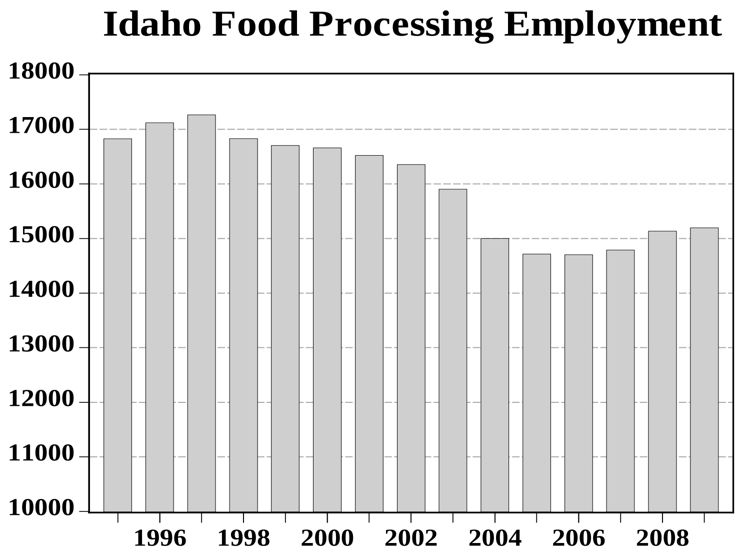
Government: The public sector accounts for nearly one of every five jobs in Idaho. The state and local government category is by far the largest employer, accounting for about 90% of the total. Traditionally, state and local employment has grown much faster than federal employment. In fact, the former has been expanding while the latter has been contracting. The number of state and local government jobs has grown from 75,900 in 1992 to 101,869 in 2005. During this same period federal government employment has dropped from 13,500 to 13,100. The difference in their growth rates reflects the factors propelling them. One of the reasons state and local employment growth eclipsed federal employment growth is because the former is directly fueled by the state's strong population growth. Driven by a flood of newcomers, Idaho's population expanded nearly 30% from 1990 to 2000. Beginning this decade, Idaho state and local employment growth slowed as the state's population growth eased. However, recent evidence suggests Idaho's population has recently accelerated. The U.S. Census Bureau estimates the Gem State's population jumped about 2.7% in 2005—the first time it has advanced above

2% this decade. Population is expected to grow another 2.7% this year, then slow gradually over the remaining years of the forecast. Idaho state and local government employment growth should follow a similar pattern. Specifically, state and local employment is predicted to rise 1.9% this year, 1.3% next year, 1.3% in 2008, and 1.1% in 2009. The fate of federal government employment in the state is largely determined by factors outside its borders, primarily the federal budget. Given the U.S. Congress's anticipated austerity measures to deflate the swelling federal budget deficit, federal employment in Idaho should remain near 13,100 jobs over the forecast period. However, there are downside risks to this forecast. The latest round of base realignments and closures that has been approved by President Bush will affect federal government employment in Idaho. It has been estimated 660 jobs will be lost, with Mountain Home Air Force Base taking the biggest hit. Federal government employment growth should accelerate slightly in 2009 as the nation ramps up for the 2010 census.



Mining and Chemicals: Two of the state's resource industries are experiencing welcome rounds of prosperity. However, these good times are projected to be followed by more challenging times. Idaho mining industry employment has been expanding for four years thanks in large part to rising metal prices. Idaho mining employment rose from a recent nadir of 1,758 jobs in 2002 to 2,199 in 2005. Mining employment is forecast to increase another 17.4% to 2,535 jobs this year. Unfortunately, it appears these recent employment gains are a brief deviation from the trend of declining employment. A timeline of Idaho mining employment shows Idaho mining employment peaks have been getting smaller. For example, Idaho mining employment peaked at 5,200 jobs in 1981. The next peak occurred in 1990, but it was 3,900 jobs. This peak was followed by a peak of 3,100 jobs in 1997. This trend should continue, with employment hitting 2,557 jobs in 2007. Unfortunately, mining employment is expected to decline to about 2,100 jobs in 2009. It needs to be pointed out that most of the risks to the mining sector employment forecast are on the upside. Most significantly, soaring metal prices could stimulate exploration and production, which would result in more jobs than have been predicted in this forecast. The state's chemical sector has also enjoyed success recently after suffering setbacks. The most significant one being the loss of the Astaris (formerly FMC) elemental phosphorous plant located just outside of Pocatello in 2002. As a result, chemical employment declined over 17% that year. In addition, Kerr-McGee closed its Soda Springs plant. The chemical sector's employment has stabilized near 2,000 jobs in recent years. However, anticipated declines in agricultural chemical production point to declining employment down the road. Specifically, Idaho chemical employment is projected to decline 1.4% in 2007, 3.8% in 2008, and 3.2% in 2009.

Food Processing: After declining for a decade, Idaho food processing employment is forecast to increase in 2007, 2008, and 2009. Employment declined from a high of 17,263 jobs in 1997 to a predicted low of 14,704 jobs in 2006 as some of Idaho's largest processors curtailed operations. For example, nearly 360 jobs were lost when unfavorable business conditions caused the J.R. Simplot Company to close its Nampa meat packing plant in the fall of 2003. In addition, the J.R. Simplot



Company shuttered its Heyburn potato processing plant that was built in 1960 and since then had run continuously. More recently, the Swift and Company beef processing plant fell victim to the embargo of Canadian beef imports into the U.S. Concerns over mad cow disease restrict imports to animals under 30 months old. The Nampa plant processed older animals and was not able to get enough animals to keep operations viable. About 400 jobs were lost when the company permanently closed the plant. Although some plants have closed, new plants are opening. Gossner Foods, Inc. has opened a new cheese manufacturing plant in Heyburn on land formerly occupied by the J.R. Simplot plant. Marathon Cheese is building a $27-million plant in Mountain Home that will employ 250 workers. The plant's employment should climb to twice that many jobs in five years, making it one of Elmore County's largest employers. Idaho food processing employment is projected to increase 0.6% in 2007, 2.3% in 2008, and 0.4% in 2009.

FORECASTS COMPARISON

Idaho has a dynamic economy whose growth is influenced by a myriad of local, national, and international factors. Therefore, changes to the projected values of such diverse variables as oil prices, interest rates, and national housing starts can have an effect at the state level. In order to account for the effects of such changes on the state's economy, each issue of the *Idaho Economic Forecast* uses Global Insight's most recent forecast of the U.S. economy. Additional data, such as company-specific expansions and/or contractions are also considered.

The following comparison table shows how the outlooks for several key Idaho and national economic series have changed from the April 2006 to the July 2006 *Idaho Economic Forecast*. The April 2006 *Idaho Forecast* is based on Global Insight's March 2006 baseline forecast and the July 2006 *Idaho Forecast* is driven by Global Insight's July 2006 baseline U.S. macroeconomic forecast.

A comparison of several key variables shows how the outlooks for the national and state economies have changed compared to the April 2006 *Idaho Economic Forecast*. The national variables are reviewed first. Interestingly, the national variables present mixed signals. For example, output, both nominal and real, are higher than in the previous forecast. Likewise, both U.S. nonfarm employment and inflation are up above their previous forecasts. These variables point to an improved economic outlook. However, national real personal income is lower in each year of the current forecast compared to the April 2006 forecast. One reason real income is lower is that inflation is higher in the current forecast. Another reason real income is weaker is because the farm proprietors' and dividend, interest, and rent components of personal income are lower than in the previous forecast. These components are the least impacted by nonfarm employment, which explains why employment is stronger in the current forecast, but personal income is weaker than in the previous forecast.

Unlike the national economy, the prospects for Idaho's economy has improved compared to the previous forecast. This improvement is evident in the employment and personal income projections. For example, the Gem State's nonfarm employment forecast has been raised 0.1% in 2006, 0.5% in 2007, 0.8% in 2008, and 0.8% in 2009. The cumulative impact of this stronger growth results in an expected 5,624 more jobs in Idaho in 2009 than had been forecasted three months ago. This strength is spread through both the goods- and nongoods-producing sectors. In 2009, there are about 3,800 more goods-producing jobs than in the previous forecast and nongoods-producing employment is up 1,800. The outlooks for Idaho nominal personal income is also up from the previous forecast after this year. On the other hand, Idaho real personal income is lower than in the previous forecast because of higher inflation.

IDAHO ECONOMIC FORECAST
FORECASTS COMPARISON
DIFFERENCES BETWEEN
JULY 2006 AND APRIL 2006 FORECASTS

	2001	2002	2003	2004	2005	2006	2007	2008	2009
GDP (BILLIONS)									
Current $	0	0	0	0	1	51	145	174	183
% Difference	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.4%*	*1.0%*	*1.2%*	*1.2%*
2000 Chain-Weighted	0	0	0	0	0	8	30	43	30
% Difference	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.1%*	*0.3%*	*0.4%*	*0.2%*
PERSONAL INCOME - CURR $									
Idaho (Millions)	0	0	0	0	37	-148	45	216	202
% Difference	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.1%*	*-0.3%*	*0.1%*	*0.4%*	*0.4%*
U.S. (Billions)	0	0	0	0	-12	-84	-36	19	29
% Difference	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*-0.1%*	*-0.8%*	*-0.3%*	*0.2%*	*0.2%*
PERSONAL INCOME - 2000 $									
Idaho (Millions)	0	0	0	0	29	-398	-337	-150	-146
% Difference	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.1%*	*-1.1%*	*-0.8%*	*-0.4%*	*-0.3%*
U.S. (Billions)	0	0	0	0	-11	-141	-125	-66	-53
% Difference	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*-0.1%*	*-1.5%*	*-1.3%*	*-0.6%*	*-0.5%*
TOTAL NONFARM EMPLOYMENT									
Idaho	-1	8	11	12	-929	2,211	2,993	5,075	5,624
% Difference	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*-0.2%*	*0.3%*	*0.5%*	*0.8%*	*0.8%*
U.S. (Thousands)	0	0	0	0	0	-45	185	494	532
% Difference	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.1%*	*0.4%*	*0.4%*
GOODS PRODUCING SECTOR									
Idaho	1	4	6	7	-31	2,867	3,861	4,733	3,814
% Difference	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*2.4%*	*3.3%*	*4.1%*	*3.3%*
U.S. (Thousands)	0	0	0	0	1	53	156	145	104
% Difference	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.2%*	*0.7%*	*0.7%*	*0.5%*
NONGOODS PRODUCING SECTOR									
Idaho	-1	4	5	5	-898	-655	-868	342	1,810
% Difference	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*-0.2%*	*-0.1%*	*-0.2%*	*0.1%*	*0.3%*
U.S. (Thousands)	0	0	0	0	0	-97	29	349	428
% Difference	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*-0.1%*	*0.0%*	*0.3%*	*0.4%*
FINANCIAL MARKETS									
Federal Funds Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.5%	0.2%	0.0%
Bank Prime Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.5%	0.2%	0.0%
Mort Rate, Existing Homes	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.2%	0.2%	0.1%
INFLATION									
GDP Price Deflator	0.000	0.000	0.000	0.000	0.011	0.376	0.927	1.010	1.163
Personal Cons Deflator	0.000	0.000	0.000	0.000	0.013	0.810	1.104	0.952	0.872
Consumer Price Index	0.000	0.000	0.000	0.000	0.000	0.018	0.026	0.022	0.019

Forecast Begins the SECOND Quarter of 2006

ALTERNATIVE FORECASTS

Global Insight has assigned a 55% probability of occurrence to its July 2006 baseline forecast of the U.S. economy. The major features of this forecast include:

- Real GDP increases 3.4% in 2006, 2.6% in 2007, 3.1% in 2008, and 3.2% in 2009;
- U.S. nonfarm employment grows 1.4% in 2006, 1.3% in 2007, 1.4% in 2008, and 1.2% in 2009;
- the annual U.S. civilian unemployment rate remains below 5.0% through 2009;
- consumer inflation is 3.3% in 2006, 2.1% in 2007, 1.7% in 2008, and 1.6% in 2009;
- the current account deficit is $884 billion in 2006, $894 billion in 2007, $873 billion in 2008, and $850 billion in 2009; and
- the federal unified budget deficit is $289 billion in 2006, $281 billion in 2007, $322 billion in 2008, and $289 billion in 2009.

OPTIMISTIC SCENARIO

Global Insight has assigned its *Optimistic Scenario* a 20% probability of occurrence. Seven assumptions distinguish this scenario from the baseline. First, total factor productivity is stronger. Underlying this assumption is the belief the information-driven technology boom will continue. Second, foreign economic growth is stronger, which causes U.S. exports to grow faster in most years in this scenario. Third, the U.S. dollar is stronger in this scenario. Fourth, business investment is stronger. This is not hard to imagine because the current level of business spending is below the historical average at a time when businesses are running out of industrial capacity. Fifth, the federal budget deficit is lower thanks to higher revenues and lower federal transfer payments. Also contributing to the smaller deficit is lower interest payments because of lower interest rates. Sixth, the lower interest rates also contribute to stronger housing starts. Seventh, the *Optimistic Scenario* assumes energy prices are lower than in the baseline.

These assumptions produce a rosier forecast than the baseline. Real GDP grows 0.1 percentage point faster than in the baseline in 2006 and 0.9 percentage point faster in 2007. Although economic growth and labor markets are stronger, inflation is lower because of the stronger dollar and the higher productivity gains. The lower inflation allows the Federal Reserve to keep its federal funds rate below the *Baseline Scenario's* rate, averaging 4.75% versus 5.00% in the baseline. Since productivity is stronger, potential GDP is higher. Job growth is also stronger, which keeps the unemployment rate below its baseline counterpart over the forecast period.

The stronger U.S. economy boosts the outlook for the Gem State's economy. Idaho nonfarm employment advances much faster over the forecast period in this scenario compared to the baseline case. After growing at the same pace (4.5%) in 2006 as in the baseline, nonfarm employment advances 3.4% in 2007, 2.8% in 2008, and 2.5% in 2009 in this scenario. In the *Baseline Scenario* Idaho nonfarm employment grows 3.0% in 2007, 2.3% in 2008, and 2.1% in 2009. As a result, there are 8,300 more jobs in the *Optimistic Scenario* than in the *Baseline Scenario* at the end of the forecast period. Interestingly, Idaho nominal personal income grows slower than its baseline counterpart. However, this is due to the lower inflation resulting from improved productivity. When both the optimistic and baseline incomes are adjusted for inflation, the former grows faster in each year of the forecast.

IDAHO ECONOMIC FORECAST
BASELINE AND ALTERNATIVE FORECASTS
JULY 2006

	BASELINE				OPTIMISTIC				PESSIMISTIC			
	2006	2007	2008	2009	2006	2007	2008	2009	2006	2007	2008	2009
GDP (BILLIONS)												
Current $	13,297	13,947	14,655	15,418	13,311	14,033	14,798	15,586	13,241	13,715	14,424	15,331
% Ch	*6.5%*	*4.9%*	*5.1%*	*5.2%*	*6.6%*	*5.4%*	*5.5%*	*5.3%*	*6.0%*	*3.6%*	*5.2%*	*6.3%*
2000 Chain-Weighted	11,513	11,808	12,179	12,565	11,525	11,926	12,396	12,854	11,469	11,557	11,822	12,169
% Ch	*3.4%*	*2.6%*	*3.1%*	*3.2%*	*3.5%*	*3.5%*	*3.9%*	*3.7%*	*3.0%*	*0.8%*	*2.3%*	*2.9%*
PERSONAL INCOME - CURR $												
Idaho (Millions)	42,711	45,913	48,955	52,185	42,671	45,638	48,616	51,720	42,830	46,488	49,614	53,274
% Ch	*6.0%*	*7.5%*	*6.6%*	*6.6%*	*5.9%*	*7.0%*	*6.5%*	*6.4%*	*6.3%*	*8.5%*	*6.7%*	*7.4%*
U.S. (Billions)	10,801	11,403	12,068	12,773	10,800	11,426	12,131	12,851	10,796	11,354	11,999	12,786
% Ch	*5.5%*	*5.6%*	*5.8%*	*5.8%*	*5.5%*	*5.8%*	*6.2%*	*5.9%*	*5.5%*	*5.2%*	*5.7%*	*6.6%*
PERSONAL INCOME - 2000 $												
Idaho (Millions)	37,335	39,367	41,248	43,246	37,369	39,446	41,470	43,563	37,302	39,184	40,645	42,422
% Ch	*3.2%*	*5.4%*	*4.8%*	*4.8%*	*3.3%*	*5.6%*	*5.1%*	*5.0%*	*3.1%*	*5.0%*	*3.7%*	*4.4%*
U.S. (Billions)	9,442	9,777	10,168	10,585	9,459	9,876	10,347	10,824	9,404	9,571	9,830	10,182
% Ch	*2.7%*	*3.5%*	*4.0%*	*4.1%*	*2.8%*	*4.4%*	*4.8%*	*4.6%*	*2.2%*	*1.8%*	*2.7%*	*3.6%*
TOTAL NONFARM EMPLOYMENT												
Idaho	639,126	658,232	673,638	688,116	639,247	660,680	679,357	696,432	639,065	652,726	660,245	668,053
% Ch	*4.5%*	*3.0%*	*2.3%*	*2.1%*	*4.5%*	*3.4%*	*2.8%*	*2.5%*	*4.5%*	*2.1%*	*1.2%*	*1.2%*
U.S. (Thousands)	135,383	137,175	139,096	140,785	135,382	137,724	140,389	142,552	135,204	135,700	136,579	138,278
% Ch	*1.4%*	*1.3%*	*1.4%*	*1.2%*	*1.4%*	*1.7%*	*1.9%*	*1.5%*	*1.3%*	*0.4%*	*0.6%*	*1.2%*
GOODS-PRODUCING SECTOR												
Idaho	120,423	120,731	119,300	117,749	120,423	121,766	121,369	120,067	120,365	118,367	115,098	112,806
% Ch	*7.2%*	*0.3%*	*-1.2%*	*-1.3%*	*7.2%*	*1.1%*	*-0.3%*	*-1.1%*	*7.2%*	*-1.7%*	*-2.8%*	*-2.0%*
U.S. (Thousands)	22,420	22,426	22,322	22,275	22,405	22,532	22,662	22,761	22,439	22,088	21,403	21,295
% Ch	*1.3%*	*0.0%*	*-0.5%*	*-0.2%*	*1.2%*	*0.6%*	*0.6%*	*0.4%*	*1.4%*	*-1.6%*	*-3.1%*	*-0.5%*
NONGOODS-PRODUCING SECTOR												
Idaho	518,703	537,501	554,338	570,367	518,824	538,914	557,988	576,365	518,700	534,359	545,147	555,247
% Ch	*3.9%*	*3.6%*	*3.1%*	*2.9%*	*3.9%*	*3.9%*	*3.5%*	*3.3%*	*3.9%*	*3.0%*	*2.0%*	*1.9%*
U.S. (Thousands)	112,963	114,748	116,774	118,510	112,977	115,192	117,727	119,790	112,765	113,612	115,176	116,983
% Ch	*1.5%*	*1.6%*	*1.8%*	*1.5%*	*1.5%*	*2.0%*	*2.2%*	*1.8%*	*1.3%*	*0.8%*	*1.4%*	*1.6%*
SELECTED INTEREST RATES												
Federal Funds	*5.1%*	*5.2%*	*4.8%*	*4.9%*	*5.0%*	*5.0%*	*4.5%*	*4.5%*	*5.4%*	*7.5%*	*7.3%*	*6.4%*
Bank Prime	*8.1%*	*8.2%*	*7.8%*	*7.9%*	*8.0%*	*8.0%*	*7.5%*	*7.5%*	*8.4%*	*10.5%*	*10.3%*	*9.4%*
Existing Home Mortgage	*6.7%*	*6.9%*	*7.0%*	*7.3%*	*6.6%*	*6.5%*	*6.6%*	*6.7%*	*7.0%*	*8.5%*	*7.7%*	*8.1%*
INFLATION												
GDP Price Deflator	*3.0%*	*2.3%*	*1.9%*	*2.0%*	*3.0%*	*1.9%*	*1.5%*	*1.6%*	*2.9%*	*2.8%*	*2.8%*	*3.3%*
Personal Cons Deflator	*2.8%*	*2.0%*	*1.8%*	*1.7%*	*3.0%*	*1.9%*	*1.5%*	*1.6%*	*3.1%*	*3.3%*	*2.9%*	*2.9%*
Consumer Price Index	*3.3%*	*2.1%*	*1.7%*	*1.6%*	*3.0%*	*1.4%*	*1.3%*	*1.2%*	*3.7%*	*3.2%*	*2.4%*	*2.6%*

Forecast Begins the SECOND Quarter of 2006

PESSIMISTIC SCENARIO

The *Pessimistic Scenario* has been assigned a 25% probability of occurrence. In this scenario, core inflation is higher than in the baseline case. One of the reasons for the price acceleration is this alternative assumes there is less spare capacity in the world. Rapid technological advances and high oil prices may have rendered obsolete much of the idled capacity that theoretically remains on the books. This alternative forecast also assumes the dollar weakens as foreign investors flee the greenback over concerns of the huge U.S. trade deficit. The Federal Reserve raises interest rates more steeply in this alternative compared to the baseline. Despite this more aggressive stance, both the bond and stock markets slip on signs the Federal Reserve may have responded to rising inflation too slowly. Both of these factors point to higher interest rates than in the baseline. The rising interest rates result in a deeper housing downturn than in the baseline case. The central bank may concede the round, but not the match, and it continues to raise rates in order to stop inflation. As a result, the federal funds rate averages 6.59% in the fourth quarter of this year, compared to 5.50% in the baseline.

Consumer confidence suffers from the higher interest rates and persistently high energy prices. Consumer confidence is dented further under the combined weight of slow job growth and increasing debt loads. As a result of these combined concerns, consumers reel in their discretionary spending, which causes the economy to suffer. The economy does not sink into a recession in this alternative, but merely fails to come as close to its potential as in the baseline. The weaker dollar causes production to shift from satisfying domestic demand to serving foreign demand

Idaho's economy is noticeably weaker in this scenario compared to the baseline case. Idaho nonfarm employment grows slower than in the baseline. In the forecast's terminal year, employment is 668,053, which is more than 20,000 lower than in the baseline. Personal income is more complex. Idaho nominal personal income benefits from surging inflation and rises by 8.5% in 2007, 6.7% in 2008, and 7.4% in 2009. In 2009, Idaho nominal personal income of $53.3 billion is $1.1 billion higher than in the baseline case. However, this advantage evaporates when income is adjusted for inflation. Idaho real personal income in 2009 is $1.0 billion lower than in the *Baseline Scenario*.

Job Matching: Evidence from the Beveridge Curve

Rob Valletta
Jaclyn Hodges[1]

Conditions in labor markets are largely reflected in the number of jobs employers want to fill (job vacancies) and the number of people seeking jobs (the unemployed). Over the business cycle, for example, job vacancy rates and unemployment rates generally exhibit negative co-movement, with high vacancies and low unemployment when the economy is growing and vice versa when the economy is contracting. Beyond that short-run relationship, however, positive co-movement of the vacancy and unemployment series over longer time periods reflects changes in the speed and effectiveness of job matching between employers and job seekers. When the job-matching process is slow, perhaps due to changes in the amount of necessary job reallocation across geographic regions or industries, both unemployment and vacancies can coexist at high levels, representing underutilized labor resources.

This *Economic Letter* examines the evidence on long-term shifts in the speed and efficiency of job matching in U.S. labor markets by using the so-called Beveridge curve. The Beveridge curve is an empirical measure of the relationship between the job vacancy rate and the unemployment rate. Changes in the job-matching process suggested by movements in the Beveridge curve, and their implications for U.S. labor market performance, have not been extensively analyzed, due in part to the absence of consistent data on job vacancies over a long time period. In this *Economic Letter*, we utilize new data from the U.S. Bureau of Labor Statistics (BLS) to construct a long-term vacancy series and corresponding estimates of the Beveridge curve. We find that declining dispersion of economic growth across geographic regions helps explain improvements in the job-matching process since the mid-1980s and reinforces existing depictions of improved performance of the U.S. aggregate labor market in the 1990s (for example, Katz and Krueger 1999).

Forming the empirical Beveridge curve

Empirical representation of the Beveridge curve requires choosing measures of the job vacancy rate and the unemployment rate. Because there is no continuous aggregate job vacancy series covering a sufficiently long period in the United States, the literature on the U.S. Beveridge curve has largely relied on the help-wanted advertising index to measure changes in job vacancies over time. The help-wanted index is compiled by The Conference Board, based on counts of help-wanted advertisements appearing in the classified section of a major newspaper in each of 51 cities nationwide; the data by city are aggregated to provide help-wanted index series for the nine major census divisions and the U.S. as a whole (see Abraham 1987 for more details). After normalizing by employment or labor force size, changes over time in the help-wanted index are interpreted as reflecting corresponding changes in the overall rate of job vacancies.

Abraham (1987) argued that the volume of help-wanted advertising has been affected by long-term changes in the occupational composition of employment (towards white-collar jobs that are more likely to be advertised), increased job advertising linked to equal employment opportunity pressures, and consolidation in newspaper markets, each of which arguably contributed to an upward drift in the help-wanted index during the 1960s and 1970s. In more recent work, however, Zagorsky (1998) extended the

[1] This article originally appeared in the Number 2006-08; April 21, 2006 *FRBSF Economic Letter*. Opinions expressed in this article are those of the authors and do not necessarily reflect the views of the management of the Federal Reserve Bank of San Francisco or the Board of Governors of the Federal Reserve System.

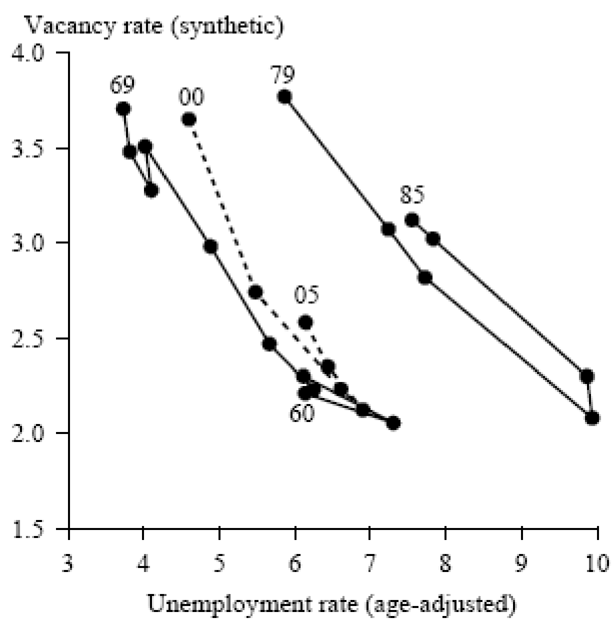
help-wanted series back to 1923 and applied updated correction factors to account for the influences identified by Abraham; he found little evidence of long-term trends in the vacancy series (relative to labor market conditions) over the period 1923-1994. On the other hand, a strong downward trend in the help-wanted series is evident since the early to mid-1990s. This downward trend appears to be due to growing reliance on alternative sources of job search, such as the Internet, which have substantially reduced employers' reliance on traditional help-wanted advertising.

Fortunately, relatively new data are available to serve the dual purpose of pinning down the recent trend in help-wanted advertising and also translating the help-wanted series into a job vacancy series: the monthly "Job Openings and Labor Turnover Survey" (JOLTS) conducted by the U.S. BLS beginning in December 2000. The JOLTS survey is administered to a representative sample of about 16,000 establishments nationwide and provides data on job openings as well as hires and separations. In addition to the national series, the data are available for the four broad census regions. The job opening (vacancy) rate is defined as the ratio of the number of job openings to the sum of employment and job openings (JOLTS survey information is available online at http://www.bls.gov/jlt/home.htm).

The JOLTS series only became available in December 2000, near the peak of the last expansion, which limits its direct use for analysis of the Beveridge curve. However, it is straightforward to use the JOLTS data to translate the help-wanted index into a long-term vacancy series, using standard regression techniques. In doing so, we accounted for the downward trend in the help-wanted index since the early 1990s. Examination of the data and sensitivity tests revealed that accounting for a downward trend beginning in 1993 produced the most plausible range of values for the fitted vacancy rate series at the national and regional level (see Valletta 2005 for more details).

Like the vacancy rate measured by the help-wanted index, the U.S. unemployment rate also has undergone long-term changes in recent decades (Valletta and Hodges 2005). The most important long-term influence has been the aging of the U.S. population; due to the lower unemployment rates experienced by older age groups, population aging has reduced the average unemployment rate since the late 1970s. We account for this factor and its influence on the Beveridge curve by using an "age-adjusted" unemployment rate, which represents what the unemployment rate would be if the labor force shares of seven age groups had not changed since a particular "base year." We use a base year of 1978; as noted by Shimer (1999), the age structure of the U.S. labor force in 1978 was the most conducive to high unemployment rates of any year during the post-war period.

Figure 1: U.S. Beveridge curves, adjusted



Note: Data for 2005 are through Q2. Underlying data are seasonally adjusted.
Source: U.S. Bureau of Labor Statistics, Conference Board, and authors' calculations.

Figure 1 displays the U.S. Beveridge curve based on the fitted vacancy rate series and age-adjusted unemployment rate series for selected periods between 1960 and 2005. The Beveridge

Figure 2: Regional Beveridge curves, adjusted

Note: See Figure 1.

curves in this figure exhibit a typical counterclockwise adjustment pattern around recessions (1960-61, 1981-82, and 2001), as vacancies rise more quickly than unemployment falls during the recovery phase. The outward shift in the Beveridge curve between the periods 1960-69 and 1979-85, as identified by Abraham (1987), is clearly evident, as is a substantial inward shift between 1979-85 and 2000-05. This pattern suggests that the speed and effectiveness of the job-matching process deteriorated in the 1970s through the early 1980s and then improved.

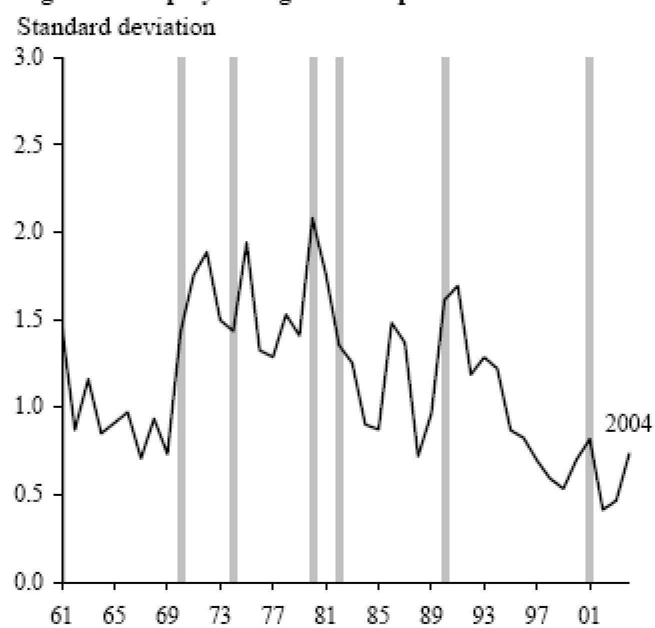
Regional mismatch

One leading explanation for these movements in the Beveridge curve is changes in the dispersion of employment growth across regions. If labor demand is growing in some parts of the country and shrinking in others, a "regional mismatch" can occur, whereby large numbers of unemployed individuals must move across geographic regions in order to be matched with available jobs. The need for such costly and time-consuming geographic reallocation slows down the job-matching process and increases the likelihood that unemployment and vacancies will both exist at high levels. Indeed, Abraham found that rising regional mismatch accounted for a large share of the outward shift in the Beveridge curve between the 1960s and early 1980s (as depicted in Figure 1).

As a graphical illustration of changes in the degree of regional mismatch, Figure 2 displays Beveridge curves for two of the nine census divisions: New England and the Pacific. Their Beveridge curves were far apart during the years 1979-85, reflecting substantial geographic mismatch in the strength of labor demand. Since then, the regional curves have largely converged, indicating a decline in mismatch. While we only display two regions in Figure 2, this pattern of convergence in labor demand and supply conditions is evident across U.S. regions and states more generally.

Figure 3 shows the overall degree to which patterns of growth in labor demand have converged across regions; it displays the dispersion (standard deviation) of yearly employment growth across census divisions. This series plays a key role in explaining the outward and inward movements of the U.S. Beveridge curve in recent decades. The

Figure 3: Employment growth dispersion



Note: Gray bars denote recessions.

dispersion of employment growth increased substantially between the late 1960s through about 1980, when the Beveridge curve shifted out, and then declined by an even greater amount since the early 1980s, when the Beveridge curve shifted back in.

On net, the magnitude of the Beveridge curve shifts and changes in regional growth dispersion are quite consistent over the period 1970-2005. Abraham (1987) found that about 1.4 percentage points of the 1.8 percentage point increase in the unemployment rate associated with Beveridge curve shifts between 1970 and 1985 was due to rising geographic dispersion of employment growth. By contrast, we find that geographic growth dispersion fell below its 1960s levels by the early 2000s, reversing the pattern identified by Abraham. The result was a 1.5 to 2 percentage point decline in the unemployment rate associated with Beveridge curve shifts between the mid-1980s and early 2000s, producing a Beveridge curve that is interior to any observed since the 1960s.

Conclusion

The adjusted vacancy and unemployment data that we use indicate that a pronounced inward shift in the position of the Beveridge curve has been evident since the mid-1980s, reversing the earlier pattern identified by Abraham (1987) and implying reduced job reallocation or increased efficiency for the job-matching process in the United States. Our analyses of regional Beveridge curves and the dispersion of labor demand across regions suggest that a decline in necessary job reallocation was responsible for this shift. In particular, the process identified by Abraham (1987), whereby increasing dispersion of labor demand growth across geographic areas caused the Beveridge curve to shift out, has been reversed, causing the Beveridge curve to shift back in.

More generally, our finding of inward shifts in the Beveridge curve over the past two decades reinforce Katz and Krueger's (1999) conclusions regarding improved U.S. labor market performance in the 1990s. The inward shift in the Beveridge curve may underlie the more favorable tradeoff between unemployment and wages that has been estimated for the 1990s. Moreover, we find that these favorable trends continued into 2005. These findings suggest that the Beveridge curve may merit renewed attention by researchers.

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IDAHO ECONOMIC FORECAST

JULY 2006

FORECAST DETAIL

Reporting Conventions

Units of measurement are presented in the individual reports.

The percentage change numbers given in the annual reports are simple period-to-period percent changes. Since the periods are years, they are thus simple annual changes. The percentage changes given in the quarterly report are period-to-period changes at compound annual rates, following standard practice. A large change in a given quarter can seem to be exaggerated since the calculation assumes the change is compounded over an entire year.

Data Sources

National forecast data is provided by Global Insight, as well as the Food and Agricultural Policy Research Institute (FAPRI). Historical data for the models are obtained from the following agencies: Bureau of the Census (demographic), Bureau of Economic Analysis (income), Bureau of Labor Statistics (employment), Federal Reserve Board of Governors (production), and U.S. Department of Agriculture (farm).

Idaho historical data is obtained from the Department of Commerce and Labor (employment and hourly earnings), Bureau of Vital Statistics (births and deaths), Division of Financial Management (migration), and the Bureau of Economic Analysis (income).

The Idaho average annual wage is calculated by the Division of Financial Management from Bureau of Economic Analysis and Idaho Department of Commerce and Labor data. Because of the different methodology used and data available, this figure may not match those published by other sources.

IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2006

DEMOGRAPHICS

	1992	1993	1994	1995	1996	1997	1998	1999	2000
POPULATION									
Idaho (Thousands)	1,072.1	1,108.6	1,144.9	1,177.0	1,203.2	1,228.4	1,252.3	1,275.7	1,299.1
% Ch	*3.0%*	*3.4%*	*3.3%*	*2.8%*	*2.2%*	*2.1%*	*1.9%*	*1.9%*	*1.8%*
National (Millions)	257.357	260.688	263.853	266.980	270.115	273.368	276.553	279.731	282.802
% Ch	*1.3%*	*1.3%*	*1.2%*	*1.2%*	*1.2%*	*1.2%*	*1.2%*	*1.1%*	*1.1%*
BIRTHS									
Idaho (Thousands)	17.197	17.575	17.690	17.915	18.482	18.599	19.188	19.897	20.304
% Ch	*2.7%*	*2.2%*	*0.7%*	*1.3%*	*3.2%*	*0.6%*	*3.2%*	*3.7%*	*2.0%*
National (Thousands)	4,038	3,997	3,964	3,935	3,911	3,892	3,880	3,874	3,872
% Ch	*-1.8%*	*-1.0%*	*-0.8%*	*-0.7%*	*-0.6%*	*-0.5%*	*-0.3%*	*-0.2%*	*-0.1%*
DEATHS									
Idaho (Thousands)	7.887	8.277	8.478	8.553	8.679	8.953	9.105	9.488	9.538
% Ch	*3.2%*	*4.9%*	*2.4%*	*0.9%*	*1.5%*	*3.2%*	*1.7%*	*4.2%*	*0.5%*
National (Thousands)	2,210	2,237	2,264	2,291	2,318	2,345	2,372	2,399	2,424
% Ch	*2.2%*	*1.2%*	*1.2%*	*1.2%*	*1.2%*	*1.2%*	*1.2%*	*1.1%*	*1.0%*
NET MIGRATION									
Idaho (Thousands)	21.659	27.168	27.115	22.652	16.417	15.583	13.836	12.975	12.658
HOUSING									
HOUSING STARTS									
Idaho	9,612	11,549	12,782	9,425	9,237	8,861	10,105	10,334	11,468
% Ch	*45.9%*	*20.2%*	*10.7%*	*-26.3%*	*-2.0%*	*-4.1%*	*14.0%*	*2.3%*	*11.0%*
National (Millions)	1.201	1.292	1.446	1.361	1.469	1.475	1.621	1.647	1.573
% Ch	*19.1%*	*7.5%*	*12.0%*	*-5.9%*	*7.9%*	*0.4%*	*9.9%*	*1.6%*	*-4.5%*
SINGLE UNITS									
Idaho	7,910	8,949	9,424	7,296	7,844	7,651	9,040	9,191	10,336
% Ch	*39.7%*	*13.1%*	*5.3%*	*-22.6%*	*7.5%*	*-2.4%*	*18.1%*	*1.7%*	*12.5%*
National (Millions)	1.032	1.131	1.191	1.082	1.154	1.136	1.278	1.306	1.232
% Ch	*23.6%*	*9.6%*	*5.4%*	*-9.2%*	*6.7%*	*-1.6%*	*12.4%*	*2.2%*	*-5.7%*
MULTIPLE UNITS									
Idaho	1,702	2,600	3,358	2,129	1,393	1,209	1,065	1,143	1,133
% Ch	*83.2%*	*52.8%*	*29.2%*	*-36.6%*	*-34.6%*	*-13.2%*	*-11.9%*	*7.3%*	*-0.9%*
National (Millions)	0.170	0.161	0.255	0.279	0.314	0.338	0.344	0.341	0.341
% Ch	*-2.4%*	*-5.1%*	*58.3%*	*9.4%*	*12.7%*	*7.6%*	*1.6%*	*-0.7%*	*0.1%*
HOUSING STOCK									
Idaho (Thousands)	347.3	357.0	368.8	377.9	386.3	393.8	402.4	411.4	421.2
% Ch	*2.2%*	*2.8%*	*3.3%*	*2.4%*	*2.2%*	*1.9%*	*2.2%*	*2.2%*	*2.4%*

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2006

IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2006

DEMOGRAPHICS

	2001	2002	2003	2004	2005	2006	2007	2008	2009
POPULATION									
Idaho (Thousands)	1,320.7	1,342.0	1,365.5	1,391.0	1,428.0	1,466.4	1,499.6	1,530.9	1,562.4
% Ch	*1.7%*	*1.6%*	*1.8%*	*1.9%*	*2.7%*	*2.7%*	*2.3%*	*2.1%*	*2.1%*
National (Millions)	285.729	288.567	291.434	294.232	296.941	299.625	302.293	304.935	307.599
% Ch	*1.0%*	*1.0%*	*1.0%*	*1.0%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*
BIRTHS									
Idaho (Thousands)	20.684	21.002	21.735	22.526	23.344	24.367	25.186	25.933	26.685
% Ch	*1.9%*	*1.5%*	*3.5%*	*3.6%*	*3.6%*	*4.4%*	*3.4%*	*3.0%*	*2.9%*
National (Thousands)	3,876	3,885	3,901	3,925	3,955	3,991	4,033	4,077	4,123
% Ch	*0.1%*	*0.2%*	*0.4%*	*0.6%*	*0.8%*	*0.9%*	*1.0%*	*1.1%*	*1.1%*
DEATHS									
Idaho (Thousands)	9.811	9.935	10.308	10.020	10.225	10.483	10.711	10.928	11.147
% Ch	*2.9%*	*1.3%*	*3.8%*	*-2.8%*	*2.0%*	*2.5%*	*2.2%*	*2.0%*	*2.0%*
National (Thousands)	2,446	2,467	2,487	2,507	2,528	2,548	2,569	2,590	2,611
% Ch	*0.9%*	*0.9%*	*0.8%*	*0.8%*	*0.8%*	*0.8%*	*0.8%*	*0.8%*	*0.8%*
NET MIGRATION									
Idaho (Thousands)	10.645	10.247	12.077	13.013	23.856	24.556	18.705	16.343	15.914
HOUSING									
HOUSING STARTS									
Idaho	12,183	13,188	16,296	18,483	23,175	22,750	22,033	21,093	20,103
% Ch	*6.2%*	*8.3%*	*23.6%*	*13.4%*	*25.4%*	*-1.8%*	*-3.1%*	*-4.3%*	*-4.7%*
National (Millions)	1.601	1.710	1.854	1.950	2.073	1.927	1.755	*1.754*	*1.732*
% Ch	*1.8%*	*6.8%*	*8.4%*	*5.2%*	*6.3%*	*-7.0%*	*-8.9%*	*-0.1%*	*-1.2%*
SINGLE UNITS									
Idaho	10,374	11,125	13,814	16,075	20,813	20,704	20,089	19,160	18,206
% Ch	*0.4%*	*7.2%*	*24.2%*	*16.4%*	*29.5%*	*-0.5%*	*-3.0%*	*-4.6%*	*-5.0%*
National (Millions)	1.272	1.363	1.505	1.604	1.719	1.585	1.410	1.386	1.373
% Ch	*3.2%*	*7.2%*	*10.4%*	*6.6%*	*7.2%*	*-7.8%*	*-11.0%*	*-1.8%*	*-0.9%*
MULTIPLE UNITS									
Idaho	1,809	2,063	2,482	2,409	2,362	2,045	1,944	1,932	1,897
% Ch	*59.7%*	*14.1%*	*20.3%*	*-2.9%*	*-2.0%*	*-13.4%*	*-4.9%*	*-0.6%*	*-1.8%*
National (Millions)	0.330	0.347	0.349	0.345	0.354	0.342	0.344	0.368	0.359
% Ch	*-3.5%*	*5.3%*	*0.5%*	*-1.0%*	*2.6%*	*-3.5%*	*0.7%*	*7.0%*	*-2.6%*
HOUSING STOCK									
Idaho (Thousands)	432.1	442.9	457.0	473.0	493.4	514.9	535.6	555.4	574.2
% Ch	*2.6%*	*2.5%*	*3.2%*	*3.5%*	*4.3%*	*4.3%*	*4.0%*	*3.7%*	*3.4%*

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2006

IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2006

OUTPUT, INCOME, & WAGES

	1992	1993	1994	1995	1996	1997	1998	1999	2000
GROSS DOM. PRODUCT (Billions)									
Current Dollars	6,338	6,657	7,072	7,398	7,817	8,304	8,747	9,268	9,817
% Ch	*5.7%*	*5.0%*	*6.2%*	*4.6%*	*5.7%*	*6.2%*	*5.3%*	*6.0%*	*5.9%*
2000 Chain-Weighted	7,337	7,533	7,835	8,032	8,329	8,704	9,067	9,470	9,817
% Ch	*3.3%*	*2.7%*	*4.0%*	*2.5%*	*3.7%*	*4.5%*	*4.2%*	*4.4%*	*3.7%*
PERSONAL INCOME - CURR $									
Idaho (Millions)	18,318	20,072	21,422	22,871	24,360	25,367	27,287	29,068	31,290
% Ch	*9.7%*	*9.6%*	*6.7%*	*6.8%*	*6.5%*	*4.1%*	*7.6%*	*6.5%*	*7.6%*
Idaho Nonfarm (Millions)	17,475	19,009	20,685	22,057	23,433	24,611	26,350	28,054	30,448
% Ch	*10.0%*	*8.8%*	*8.8%*	*6.6%*	*6.2%*	*5.0%*	*7.1%*	*6.5%*	*8.5%*
National (Billions)	5,362	5,559	5,843	6,152	6,521	6,915	7,423	7,802	8,430
% Ch	*6.2%*	*3.7%*	*5.1%*	*5.3%*	*6.0%*	*6.1%*	*7.3%*	*5.1%*	*8.0%*
PERSONAL INCOME - 2000 $									
Idaho (Millions)	21,342	22,858	23,892	24,973	26,040	26,666	28,429	29,788	31,289
% Ch	*6.7%*	*7.1%*	*4.5%*	*4.5%*	*4.3%*	*2.4%*	*6.6%*	*4.8%*	*5.0%*
Idaho Nonfarm (Millions)	20,359	21,648	23,068	24,085	25,048	25,871	27,452	28,748	30,447
% Ch	*6.9%*	*6.3%*	*6.6%*	*4.4%*	*4.0%*	*3.3%*	*6.1%*	*4.7%*	*5.9%*
National (Billions)	6,247	6,330	6,516	6,718	6,970	7,269	7,734	7,996	8,429
% Ch	*3.2%*	*1.3%*	*2.9%*	*3.1%*	*3.8%*	*4.3%*	*6.4%*	*3.4%*	*5.4%*
PER CAPITA PERS INC - CURR $									
Idaho	17,084	18,103	18,708	19,431	20,246	20,649	21,788	22,784	24,084
% Ch	*6.6%*	*6.0%*	*3.3%*	*3.9%*	*4.2%*	*2.0%*	*5.5%*	*4.6%*	*5.7%*
National	20,834	21,322	22,142	23,043	24,139	25,295	26,840	27,891	29,807
% Ch	*4.7%*	*2.3%*	*3.8%*	*4.1%*	*4.8%*	*4.8%*	*6.1%*	*3.9%*	*6.9%*
PER CAPITA PERS INC - 2000 $									
Idaho	19,905	20,617	20,866	21,218	21,642	21,707	22,700	23,349	24,084
% Ch	*3.6%*	*3.6%*	*1.2%*	*1.7%*	*2.0%*	*0.3%*	*4.6%*	*2.9%*	*3.1%*
National	24,274	24,282	24,695	25,163	25,803	26,591	27,964	28,584	29,806
% Ch	*1.8%*	*0.0%*	*1.7%*	*1.9%*	*2.5%*	*3.1%*	*5.2%*	*2.2%*	*4.3%*
AVERAGE ANNUAL WAGE									
Idaho	21,613	22,051	22,728	23,594	24,147	24,803	25,822	26,992	28,657
% Ch	*4.2%*	*2.0%*	*3.1%*	*3.8%*	*2.3%*	*2.7%*	*4.1%*	*4.5%*	*6.2%*
National	27,410	27,807	28,279	29,148	30,237	31,582	33,219	34,622	36,642
% Ch	*5.2%*	*1.4%*	*1.7%*	*3.1%*	*3.7%*	*4.5%*	*5.2%*	*4.2%*	*5.8%*

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2006

IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2006

OUTPUT, INCOME, & WAGES

	2001	2002	2003	2004	2005	2006	2007	2008	2009
GROSS DOM. PRODUCT (Billions)									
Current Dollars	10,128	10,470	10,971	11,734	12,487	13,297	13,947	14,655	15,418
% Ch	*3.2%*	*3.4%*	*4.8%*	*7.0%*	*6.4%*	*6.5%*	*4.9%*	*5.1%*	*5.2%*
2000 Chain-Weighted	9,891	10,049	10,321	10,756	11,135	11,513	11,808	12,179	12,565
% Ch	*0.8%*	*1.6%*	*2.7%*	*4.2%*	*3.5%*	*3.4%*	*2.6%*	*3.1%*	*3.2%*
PERSONAL INCOME - CURR $									
Idaho (Millions)	33,054	33,849	34,654	37,498	40,278	42,711	45,913	48,955	52,185
% Ch	*5.6%*	*2.4%*	*2.4%*	*8.2%*	*7.4%*	*6.0%*	*7.5%*	*6.6%*	*6.6%*
Idaho Nonfarm (Millions)	32,039	32,921	33,938	36,321	38,894	41,658	44,758	47,789	51,007
% Ch	*5.2%*	*2.8%*	*3.1%*	*7.0%*	*7.1%*	*7.1%*	*7.4%*	*6.8%*	*6.7%*
National (Billions)	8,724	8,882	9,169	9,713	10,238	10,801	11,403	12,068	12,773
% Ch	*3.5%*	*1.8%*	*3.2%*	*5.9%*	*5.4%*	*5.5%*	*5.6%*	*5.8%*	*5.8%*
PERSONAL INCOME - 2000 $									
Idaho (Millions)	32,376	32,690	32,840	34,638	36,183	37,335	39,367	41,248	43,246
% Ch	*3.5%*	*1.0%*	*0.5%*	*5.5%*	*4.5%*	*3.2%*	*5.4%*	*4.8%*	*4.8%*
Idaho Nonfarm (Millions)	31,382	31,795	32,162	33,550	34,939	36,415	38,376	40,265	42,269
% Ch	*3.1%*	*1.3%*	*1.2%*	*4.3%*	*4.1%*	*4.2%*	*5.4%*	*4.9%*	*5.0%*
National (Billions)	8,545	8,578	8,689	8,973	9,197	9,442	9,777	10,168	10,585
% Ch	*1.4%*	*0.4%*	*1.3%*	*3.3%*	*2.5%*	*2.7%*	*3.5%*	*4.0%*	*4.1%*
PER CAPITA PERS INC - CURR $									
Idaho	25,029	25,222	25,378	26,956	28,205	29,124	30,615	31,975	33,398
% Ch	*3.9%*	*0.8%*	*0.6%*	*6.2%*	*4.6%*	*3.3%*	*5.1%*	*4.4%*	*4.5%*
National	30,533	30,779	31,461	33,011	34,476	36,048	37,719	39,573	41,525
% Ch	*2.4%*	*0.8%*	*2.2%*	*4.9%*	*4.4%*	*4.6%*	*4.6%*	*4.9%*	*4.9%*
PER CAPITA PERS INC - 2000 $									
Idaho	24,515	24,360	24,050	24,901	25,339	25,459	26,251	26,942	27,678
% Ch	*1.8%*	*-0.6%*	*-1.3%*	*3.5%*	*1.8%*	*0.5%*	*3.1%*	*2.6%*	*2.7%*
National	29,907	29,727	29,815	30,494	30,972	31,512	32,342	33,344	34,413
% Ch	*0.3%*	*-0.6%*	*0.3%*	*2.3%*	*1.6%*	*1.7%*	*2.6%*	*3.1%*	*3.2%*
AVERAGE ANNUAL WAGE									
Idaho	28,736	29,210	29,743	30,931	32,270	33,253	34,757	36,181	37,725
% Ch	*0.3%*	*1.6%*	*1.8%*	*4.0%*	*4.3%*	*3.0%*	*4.5%*	*4.1%*	*4.3%*
National	37,494	38,214	39,319	41,005	42,801	44,185	45,738	47,528	49,458
% Ch	*2.3%*	*1.9%*	*2.9%*	*4.3%*	*4.4%*	*3.2%*	*3.5%*	*3.9%*	*4.1%*

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2006

IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2006

PERSONAL INCOME--CURRENT $$

	1992	1993	1994	1995	1996	1997	1998	1999	2000
WAGE AND SALARY PAYMENTS									
Idaho (Millions)	9,295	9,979	10,896	11,701	12,284	13,078	13,936	15,024	16,552
% Ch	*9.0%*	*7.4%*	*9.2%*	*7.4%*	*5.0%*	*6.5%*	*6.6%*	*7.8%*	*10.2%*
National (Billions)	2,980	3,083	3,232	3,419	3,620	3,878	4,183	4,466	4,829
% Ch	*5.6%*	*3.4%*	*4.8%*	*5.8%*	*5.9%*	*7.1%*	*7.9%*	*6.8%*	*8.1%*
FARM PROPRIETORS INCOME									
Idaho (Millions)	642	836	453	515	643	425	607	690	471
% Ch	*6.5%*	*30.2%*	*-45.8%*	*13.6%*	*25.0%*	*-33.9%*	*42.8%*	*13.7%*	*-31.8%*
National (Billions)	35	31	34	23	37	34	29	29	23
% Ch	*29.0%*	*-9.5%*	*8.7%*	*-33.2%*	*64.5%*	*-8.3%*	*-14.1%*	*-2.6%*	*-20.7%*
NONFARM PROPRIETORS INCOME									
Idaho (Millions)	1,769	2,087	2,312	2,229	2,324	2,313	2,480	2,765	2,883
% Ch	*21.3%*	*18.0%*	*10.8%*	*-3.6%*	*4.2%*	*-0.5%*	*7.2%*	*11.5%*	*4.3%*
National (Billions)	393	423	439	469	506	542	598	650	706
% Ch	*12.2%*	*7.5%*	*4.0%*	*6.8%*	*7.8%*	*7.1%*	*10.4%*	*8.6%*	*8.6%*
DIVIDENDS, RENT & INTEREST									
Idaho (Millions)	3,340	3,568	3,957	4,350	4,718	5,068	5,545	5,546	5,909
% Ch	*4.1%*	*6.8%*	*10.9%*	*9.9%*	*8.5%*	*7.4%*	*9.4%*	*0.0%*	*6.5%*
National (Billions)	989	997	1,070	1,139	1,221	1,310	1,421	1,412	1,537
% Ch	*-0.3%*	*0.9%*	*7.3%*	*6.4%*	*7.2%*	*7.3%*	*8.4%*	*-0.6%*	*8.9%*
OTHER LABOR INCOME									
Idaho (Millions)	2,235	2,516	2,729	2,846	2,881	2,929	3,063	3,243	3,549
% Ch	*11.2%*	*12.6%*	*8.5%*	*4.3%*	*1.2%*	*1.7%*	*4.6%*	*5.9%*	*9.4%*
National (Billions)	442	472	493	494	492	498	530	562	610
% Ch	*8.7%*	*6.8%*	*4.4%*	*0.1%*	*-0.2%*	*1.0%*	*6.5%*	*6.2%*	*8.5%*
GOVT. TRANSFERS TO INDIV.									
Idaho (Millions)	2,460	2,645	2,789	3,023	3,319	3,408	3,557	3,776	4,079
% Ch	*12.1%*	*7.5%*	*5.5%*	*8.4%*	*9.8%*	*2.7%*	*4.4%*	*6.1%*	*8.0%*
National (Billions)	749	790	827	877	925	951	979	1,022	1,084
% Ch	*12.4%*	*5.4%*	*4.7%*	*6.1%*	*5.4%*	*2.8%*	*2.9%*	*4.4%*	*6.1%*
CONTRIB. FOR SOCIAL INSUR.									
Idaho (Millions)	1,613	1,767	1,951	2,074	2,134	2,223	2,337	2,480	2,676
% Ch	*8.8%*	*9.5%*	*10.5%*	*6.3%*	*2.9%*	*4.2%*	*5.1%*	*6.1%*	*7.9%*
National (Billions)	228	240	254	264	275	290	307	323	344
% Ch	*6.2%*	*5.0%*	*6.0%*	*3.9%*	*4.1%*	*5.3%*	*6.0%*	*5.3%*	*6.2%*
RESIDENCE ADJUSTMENT									
Idaho (Millions)	192	210	238	281	326	369	437	504	525
% Ch	*9.9%*	*9.5%*	*13.3%*	*18.3%*	*15.9%*	*13.2%*	*18.3%*	*15.4%*	*4.1%*

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2006

IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2006

PERSONAL INCOME--CURRENT $$

	2001	2002	2003	2004	2005	2006	2007	2008	2009
WAGE AND SALARY PAYMENTS									
Idaho (Millions)	16,880	17,256	17,671	18,843	20,431	21,960	23,610	25,122	26,726
% Ch	*2.0%*	*2.2%*	*2.4%*	*6.6%*	*8.4%*	*7.5%*	*7.5%*	*6.4%*	*6.4%*
National (Billions)	4,943	4,981	5,111	5,389	5,712	5,982	6,274	6,611	6,963
% Ch	*2.4%*	*0.8%*	*2.6%*	*5.4%*	*6.0%*	*4.7%*	*4.9%*	*5.4%*	*5.3%*
FARM PROPRIETORS INCOME									
Idaho (Millions)	646	497	338	810	975	651	754	762	771
% Ch	*37.1%*	*-23.0%*	*-32.1%*	*139.8%*	*20.3%*	*-33.2%*	*15.8%*	*1.1%*	*1.1%*
National (Billions)	20	11	28	36	21	10	13	13	14
% Ch	*-13.1%*	*-46.3%*	*162.4%*	*29.0%*	*-41.8%*	*-50.1%*	*21.6%*	*4.1%*	*2.7%*
NONFARM PROPRIETORS INCOME									
Idaho (Millions)	3,312	3,290	3,460	3,817	4,213	4,556	4,851	5,167	5,513
% Ch	*14.9%*	*-0.6%*	*5.2%*	*10.3%*	*10.4%*	*8.1%*	*6.5%*	*6.5%*	*6.7%*
National (Billions)	752	758	782	854	918	987	1,044	1,107	1,178
% Ch	*6.6%*	*0.7%*	*3.2%*	*9.1%*	*7.5%*	*7.5%*	*5.8%*	*6.1%*	*6.3%*
DIVIDENDS, RENT & INTEREST									
Idaho (Millions)	6,195	6,051	5,952	6,101	6,085	6,349	6,974	7,649	8,366
% Ch	*4.8%*	*-2.3%*	*-1.6%*	*2.5%*	*-0.3%*	*4.3%*	*9.8%*	*9.7%*	*9.4%*
National (Billions)	1,547	1,486	1,470	1,531	1,530	1,636	1,779	1,932	2,101
% Ch	*0.7%*	*-4.0%*	*-1.1%*	*4.1%*	*0.0%*	*6.9%*	*8.7%*	*8.6%*	*8.7%*
OTHER LABOR INCOME									
Idaho (Millions)	3,647	4,041	4,310	4,745	5,246	5,720	6,092	6,336	6,605
% Ch	*2.8%*	*10.8%*	*6.7%*	*10.1%*	*10.5%*	*9.1%*	*6.5%*	*4.0%*	*4.2%*
National (Billions)	643	745	830	896	975	1,040	1,079	1,112	1,147
% Ch	*5.4%*	*15.9%*	*11.4%*	*7.9%*	*8.9%*	*6.6%*	*3.8%*	*3.0%*	*3.2%*
GOVT. TRANSFERS TO INDIV.									
Idaho (Millions)	4,568	4,971	5,258	5,664	6,015	6,378	6,793	7,288	7,796
% Ch	*12.0%*	*8.8%*	*5.8%*	*7.7%*	*6.2%*	*6.0%*	*6.5%*	*7.3%*	*7.0%*
National (Billions)	1,194	1,286	1,344	1,428	1,525	1,617	1,710	1,816	1,923
% Ch	*10.1%*	*7.7%*	*4.5%*	*6.2%*	*6.8%*	*6.0%*	*5.8%*	*6.2%*	*5.9%*
CONTRIB. FOR SOCIAL INSUR.									
Idaho (Millions)	2,724	2,802	2,906	3,083	3,327	3,574	3,857	4,091	4,343
% Ch	*1.8%*	*2.9%*	*3.7%*	*6.1%*	*7.9%*	*7.4%*	*7.9%*	*6.1%*	*6.1%*
National (Billions)	357	365	380	403	426	447	471	496	522
% Ch	*3.8%*	*2.4%*	*4.0%*	*6.0%*	*5.7%*	*4.9%*	*5.4%*	*5.3%*	*5.3%*
RESIDENCE ADJUSTMENT									
Idaho (Millions)	531	544	571	600	640	671	697	723	751
% Ch	*1.1%*	*2.5%*	*5.1%*	*5.1%*	*6.7%*	*4.8%*	*4.0%*	*3.6%*	*4.0%*

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2006

IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2006

EMPLOYMENT

	1992	1993	1994	1995	1996	1997	1998	1999	2000
TOTAL NONFARM EMPLOYMENT									
Idaho	413,476	434,502	460,209	477,044	490,900	507,423	520,477	538,099	558,578
% Ch	*4.9%*	*5.1%*	*5.9%*	*3.7%*	*2.9%*	*3.4%*	*2.6%*	*3.4%*	*3.8%*
National (Thousands)	108,723	110,847	114,282	117,306	119,699	122,767	125,924	128,992	131,792
% Ch	*0.3%*	*2.0%*	*3.1%*	*2.6%*	*2.0%*	*2.6%*	*2.6%*	*2.4%*	*2.2%*
GOODS PRODUCING SECTOR									
Idaho	85,007	90,363	97,410	98,309	102,401	105,505	106,974	108,722	111,883
% Ch	*5.1%*	*6.3%*	*7.8%*	*0.9%*	*4.2%*	*3.0%*	*1.4%*	*1.6%*	*2.9%*
National (Thousands)	22,094	22,221	22,777	23,161	23,412	23,884	24,352	24,467	24,653
% Ch	*-2.2%*	*0.6%*	*2.5%*	*1.7%*	*1.1%*	*2.0%*	*2.0%*	*0.5%*	*0.8%*
MANUFACTURING									
Idaho	59,919	63,131	65,717	65,638	68,312	70,185	71,529	71,213	73,033
% Ch	*4.4%*	*5.4%*	*4.1%*	*-0.1%*	*4.1%*	*2.7%*	*1.9%*	*-0.4%*	*2.6%*
National (Thousands)	16,879	16,857	17,106	17,327	17,317	17,500	17,640	17,404	17,345
% Ch	*-1.6%*	*-0.1%*	*1.5%*	*1.3%*	*-0.1%*	*1.1%*	*0.8%*	*-1.3%*	*-0.3%*
DURABLE MANUFACTURING									
Idaho	32,117	34,785	37,820	39,956	42,447	44,215	45,892	45,698	47,407
% Ch	*6.5%*	*8.3%*	*8.7%*	*5.6%*	*6.2%*	*4.2%*	*3.8%*	*-0.4%*	*3.7%*
National (Thousands)	10,025	9,983	10,214	10,456	10,565	10,785	10,990	10,912	10,956
% Ch	*-2.6%*	*-0.4%*	*2.3%*	*2.4%*	*1.0%*	*2.1%*	*1.9%*	*-0.7%*	*0.4%*
LOGGING & WOOD PRODUCTS									
Idaho	10,459	10,796	11,773	11,864	12,024	11,898	11,464	11,480	11,568
% Ch	*7.2%*	*3.2%*	*9.1%*	*0.8%*	*1.3%*	*-1.0%*	*-3.6%*	*0.1%*	*0.8%*
National (Thousands)	580	605	643	656	663	677	689	701	692
% Ch	*0.6%*	*4.3%*	*6.2%*	*2.0%*	*1.1%*	*2.1%*	*1.7%*	*1.8%*	*-1.3%*
METAL FABRICATION									
Idaho	2,436	2,577	2,958	3,410	3,582	3,793	3,826	3,942	4,030
% Ch	*-1.0%*	*5.8%*	*14.8%*	*15.3%*	*5.0%*	*5.9%*	*0.9%*	*3.0%*	*2.2%*
National (Thousands)	1,497	1,510	1,566	1,624	1,648	1,696	1,739	1,728	1,753
% Ch	*-2.9%*	*0.8%*	*3.7%*	*3.7%*	*1.5%*	*2.9%*	*2.6%*	*-0.6%*	*1.4%*
MACHINERY									
Idaho	2,352	2,613	2,901	3,078	3,189	3,065	3,178	3,039	3,305
% Ch	*2.8%*	*11.1%*	*11.0%*	*6.1%*	*3.6%*	*-3.9%*	*3.7%*	*-4.4%*	*8.7%*
National (Thousands)	1,310	1,329	1,379	1,440	1,466	1,494	1,512	1,466	1,455
% Ch	*-2.7%*	*1.5%*	*3.8%*	*4.4%*	*1.8%*	*1.9%*	*1.3%*	*-3.1%*	*-0.8%*
COMPUTER & ELECTRONICS									
Idaho	11,744	13,169	13,646	14,324	16,280	17,727	19,055	18,406	19,454
% Ch	*9.8%*	*12.1%*	*3.6%*	*5.0%*	*13.7%*	*8.9%*	*7.5%*	*-3.4%*	*5.7%*
National (Thousands)	1,707	1,656	1,651	1,688	1,747	1,803	1,831	1,781	1,820
% Ch	*-5.6%*	*-3.0%*	*-0.3%*	*2.3%*	*3.4%*	*3.2%*	*1.5%*	*-2.7%*	*2.2%*
OTHER DURABLES									
Idaho	5,126	5,630	6,542	7,280	7,373	7,732	8,370	8,831	9,050
% Ch	*3.6%*	*9.8%*	*16.2%*	*11.3%*	*1.3%*	*4.9%*	*8.3%*	*5.5%*	*2.5%*
National (Thousands)	4,931	4,883	4,975	5,047	5,041	5,115	5,218	5,235	5,236
% Ch	*-1.9%*	*-1.0%*	*1.9%*	*1.4%*	*-0.1%*	*1.5%*	*2.0%*	*0.3%*	*0.0%*

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2006

IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2006

EMPLOYMENT

	2001	2002	2003	2004	2005	2006	2007	2008	2009
TOTAL NONFARM EMPLOYMENT									
Idaho	568,028	568,030	572,522	588,037	611,691	639,126	658,232	673,638	688,116
% Ch	*1.7%*	*0.0%*	*0.8%*	*2.7%*	*4.0%*	*4.5%*	*3.0%*	*2.3%*	*2.1%*
National (Thousands)	131,832	130,342	129,993	131,424	133,459	135,383	137,175	139,096	140,785
% Ch	*0.0%*	*-1.1%*	*-0.3%*	*1.1%*	*1.5%*	*1.4%*	*1.3%*	*1.4%*	*1.2%*
GOODS PRODUCING SECTOR									
Idaho	110,223	105,023	102,372	105,436	112,332	120,423	120,731	119,300	117,749
% Ch	*-1.5%*	*-4.7%*	*-2.5%*	*3.0%*	*6.5%*	*7.2%*	*0.3%*	*-1.2%*	*-1.3%*
National (Thousands)	23,874	22,555	21,811	21,879	22,137	22,420	22,426	22,322	22,275
% Ch	*-3.2%*	*-5.5%*	*-3.3%*	*0.3%*	*1.2%*	*1.3%*	*0.0%*	*-0.5%*	*-0.2%*
MANUFACTURING									
Idaho	70,392	66,803	63,860	63,683	65,048	66,080	66,523	66,586	66,917
% Ch	*-3.6%*	*-5.1%*	*-4.4%*	*-0.3%*	*2.1%*	*1.6%*	*0.7%*	*0.1%*	*0.5%*
National (Thousands)	16,515	15,327	14,576	14,382	14,298	14,297	14,280	14,134	14,017
% Ch	*-4.8%*	*-7.2%*	*-4.9%*	*-1.3%*	*-0.6%*	*0.0%*	*-0.1%*	*-1.0%*	*-0.8%*
DURABLE MANUFACTURING									
Idaho	45,098	42,319	39,948	40,551	42,118	43,191	43,519	43,224	43,437
% Ch	*-4.9%*	*-6.2%*	*-5.6%*	*1.5%*	*3.9%*	*2.5%*	*0.8%*	*-0.7%*	*0.5%*
National (Thousands)	10,408	9,553	9,031	8,991	9,019	9,076	9,066	8,962	8,914
% Ch	*-5.0%*	*-8.2%*	*-5.5%*	*-0.4%*	*0.3%*	*0.6%*	*-0.1%*	*-1.2%*	*-0.5%*
LOGGING & WOOD PRODUCTS									
Idaho	9,849	9,553	9,047	9,300	9,626	9,794	9,608	9,247	9,154
% Ch	*-14.9%*	*-3.0%*	*-5.3%*	*2.8%*	*3.5%*	*1.7%*	*-1.9%*	*-3.8%*	*-1.0%*
National (Thousands)	647	625	607	617	619	618	593	566	554
% Ch	*-6.5%*	*-3.4%*	*-2.9%*	*1.7%*	*0.3%*	*-0.2%*	*-4.1%*	*-4.4%*	*-2.3%*
METAL FABRICATION									
Idaho	3,876	3,636	3,537	3,636	3,906	4,367	4,459	4,526	4,567
% Ch	*-3.8%*	*-6.2%*	*-2.7%*	*2.8%*	*7.4%*	*11.8%*	*2.1%*	*1.5%*	*0.9%*
National (Thousands)	1,677	1,548	1,479	1,497	1,519	1,548	1,607	1,626	1,643
% Ch	*-4.4%*	*-7.6%*	*-4.5%*	*1.2%*	*1.5%*	*1.9%*	*3.8%*	*1.2%*	*1.1%*
MACHINERY									
Idaho	3,055	2,832	2,632	2,569	2,606	2,660	2,692	2,616	2,547
% Ch	*-7.5%*	*-7.3%*	*-7.0%*	*-2.4%*	*1.4%*	*2.1%*	*1.2%*	*-2.8%*	*-2.6%*
National (Thousands)	1,368	1,229	1,149	1,143	1,162	1,182	1,211	1,179	1,145
% Ch	*-6.0%*	*-10.2%*	*-6.5%*	*-0.6%*	*1.6%*	*1.8%*	*2.4%*	*-2.6%*	*-2.9%*
COMPUTER & ELECTRONICS									
Idaho	19,655	17,931	16,294	16,282	16,179	15,957	16,184	16,113	16,272
% Ch	*1.0%*	*-8.8%*	*-9.1%*	*-0.1%*	*-0.6%*	*-1.4%*	*1.4%*	*-0.4%*	*1.0%*
National (Thousands)	1,749	1,507	1,355	1,323	1,320	1,312	1,247	1,207	1,188
% Ch	*-3.9%*	*-13.8%*	*-10.1%*	*-2.4%*	*-0.2%*	*-0.6%*	*-5.0%*	*-3.2%*	*-1.6%*
OTHER DURABLES									
Idaho	8,663	8,367	8,437	8,764	9,801	10,413	10,577	10,722	10,896
% Ch	*-4.3%*	*-3.4%*	*0.8%*	*3.9%*	*11.8%*	*6.2%*	*1.6%*	*1.4%*	*1.6%*
National (Thousands)	4,967	4,643	4,441	4,411	4,398	4,415	4,409	4,384	4,385
% Ch	*-5.1%*	*-6.5%*	*-4.3%*	*-0.7%*	*-0.3%*	*0.4%*	*-0.1%*	*-0.6%*	*0.0%*

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2006

IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2006

EMPLOYMENT

MANUFACTURING (continued)

	1992	1993	1994	1995	1996	1997	1998	1999	2000
NONDURABLE MANUFACTURING									
Idaho	27,802	28,346	27,897	25,682	25,866	25,970	25,636	25,515	25,625
% Ch	*2.0%*	*2.0%*	*-1.6%*	*-7.9%*	*0.7%*	*0.4%*	*-1.3%*	*-0.5%*	*0.4%*
National (Thousands)	6,854	6,874	6,892	6,871	6,752	6,715	6,650	6,493	6,388
% Ch	*0.1%*	*0.3%*	*0.3%*	*-0.3%*	*-1.7%*	*-0.6%*	*-1.0%*	*-2.4%*	*-1.6%*
FOOD PROCESSING									
Idaho	17,445	17,856	17,369	16,827	17,119	17,263	16,830	16,705	16,660
% Ch	*1.4%*	*2.4%*	*-2.7%*	*-3.1%*	*1.7%*	*0.8%*	*-2.5%*	*-0.7%*	*-0.3%*
National (Thousands)	1,519	1,535	1,540	1,561	1,562	1,557	1,555	1,550	1,553
% Ch	*0.3%*	*1.1%*	*0.3%*	*1.3%*	*0.1%*	*-0.3%*	*-0.1%*	*-0.3%*	*0.2%*
PRINTING									
Idaho	2,211	2,231	2,241	2,308	2,365	2,326	2,307	2,234	2,339
% Ch	*-0.7%*	*0.9%*	*0.4%*	*3.0%*	*2.5%*	*-1.6%*	*-0.8%*	*-3.2%*	*4.7%*
National (Thousands)	780	785	802	817	816	821	828	814	807
% Ch	*-1.5%*	*0.6%*	*2.2%*	*1.9%*	*-0.2%*	*0.6%*	*0.8%*	*-1.6%*	*-0.9%*
CHEMICALS									
Idaho	4,259	4,210	4,099	2,354	2,330	2,273	2,361	2,314	2,336
% Ch	*2.1%*	*-1.1%*	*-2.6%*	*-42.6%*	*-1.0%*	*-2.5%*	*3.9%*	*-2.0%*	*1.0%*
National (Thousands)	1,029	1,025	1,005	988	985	987	993	983	980
% Ch	*0.5%*	*-0.4%*	*-2.0%*	*-1.7%*	*-0.3%*	*0.2%*	*0.6%*	*-1.0%*	*-0.2%*
OTHER NONDURABLES									
Idaho	3,887	4,049	4,187	4,193	4,051	4,108	4,138	4,262	4,290
% Ch	*6.2%*	*4.2%*	*3.4%*	*0.1%*	*-3.4%*	*1.4%*	*0.7%*	*3.0%*	*0.7%*
National (Thousands)	3,526	3,529	3,545	3,505	3,390	3,350	3,274	3,145	3,048
% Ch	*0.3%*	*0.1%*	*0.5%*	*-1.1%*	*-3.3%*	*-1.2%*	*-2.3%*	*-3.9%*	*-3.1%*
MINING									
Idaho	2,581	2,164	2,367	2,683	2,977	2,996	2,817	2,485	2,347
% Ch	*-16.7%*	*-16.1%*	*9.4%*	*13.3%*	*11.0%*	*0.6%*	*-6.0%*	*-11.8%*	*-5.5%*
National (Thousands)	610	585	576	558	556	571	565	518	520
% Ch	*-7.7%*	*-4.1%*	*-1.4%*	*-3.2%*	*-0.3%*	*2.7%*	*-1.1%*	*-8.4%*	*0.5%*
CONSTRUCTION									
Idaho	22,508	25,068	29,326	29,988	31,112	32,324	32,629	35,024	36,503
% Ch	*10.6%*	*11.4%*	*17.0%*	*2.3%*	*3.7%*	*3.9%*	*0.9%*	*7.3%*	*4.2%*
National (Thousands)	4,605	4,779	5,094	5,276	5,538	5,813	6,147	6,545	6,788
% Ch	*-3.7%*	*3.8%*	*6.6%*	*3.6%*	*5.0%*	*5.0%*	*5.8%*	*6.5%*	*3.7%*
NONGOODS PRODUCING									
Idaho	328,469	344,139	362,799	378,735	388,499	401,917	413,503	429,378	446,696
% Ch	*4.9%*	*4.8%*	*5.4%*	*4.4%*	*2.6%*	*3.5%*	*2.9%*	*3.8%*	*4.0%*
National (Thousands)	86,629	88,626	91,505	94,145	96,287	98,883	101,571	104,525	107,139
% Ch	*1.0%*	*2.3%*	*3.2%*	*2.9%*	*2.3%*	*2.7%*	*2.7%*	*2.9%*	*2.5%*
SERVICES									
Idaho	163,210	173,523	185,543	196,052	202,106	210,033	217,463	227,556	238,280
% Ch	*5.0%*	*6.3%*	*6.9%*	*5.7%*	*3.1%*	*3.9%*	*3.5%*	*4.6%*	*4.7%*
National (Thousands)	49,904	51,520	53,498	55,382	57,094	59,170	61,256	63,350	65,137
% Ch	*1.5%*	*3.2%*	*3.8%*	*3.5%*	*3.1%*	*3.6%*	*3.5%*	*3.4%*	*2.8%*
INFORMATION									
Idaho	7,083	7,195	7,413	7,602	7,699	7,587	8,376	9,274	9,860
% Ch	*1.3%*	*1.6%*	*3.0%*	*2.5%*	*1.3%*	*-1.5%*	*10.4%*	*10.7%*	*6.3%*
National (Thousands)	2,642	2,667	2,739	2,844	2,940	3,084	3,219	3,418	3,629
% Ch	*-1.3%*	*1.0%*	*2.7%*	*3.8%*	*3.4%*	*4.9%*	*4.4%*	*6.2%*	*6.2%*
FINANCIAL ACTIVITIES									
Idaho	22,104	23,257	24,520	25,492	26,833	26,835	24,256	25,306	25,161
% Ch	*4.7%*	*5.2%*	*5.4%*	*4.0%*	*5.3%*	*0.0%*	*-9.6%*	*4.3%*	*-0.6%*
National (Thousands)	6,540	6,708	6,866	6,828	6,969	7,178	7,462	7,646	7,688
% Ch	*-0.3%*	*2.6%*	*2.4%*	*-0.6%*	*2.1%*	*3.0%*	*4.0%*	*2.5%*	*0.5%*

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2006

IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2006

EMPLOYMENT

MANUFACTURING (continued)

	2001	2002	2003	2004	2005	2006	2007	2008	2009
NONDURABLE MANUFACTURING									
Idaho	25,294	24,485	23,912	23,132	22,929	22,890	23,005	23,362	23,480
% Ch	*-1.3%*	*-3.2%*	*-2.3%*	*-3.3%*	*-0.9%*	*-0.2%*	*0.5%*	*1.6%*	*0.5%*
National (Thousands)	6,107	5,774	5,545	5,391	5,280	5,222	5,214	5,172	5,103
% Ch	*-4.4%*	*-5.4%*	*-4.0%*	*-2.8%*	*-2.1%*	*-1.1%*	*-0.2%*	*-0.8%*	*-1.3%*
FOOD PROCESSING									
Idaho	16,520	16,355	15,900	14,999	14,713	14,704	14,787	15,134	15,195
% Ch	*-0.8%*	*-1.0%*	*-2.8%*	*-5.7%*	*-1.9%*	*-0.1%*	*0.6%*	*2.3%*	*0.4%*
National (Thousands)	1,550	1,525	1,517	1,494	1,473	1,462	1,490	1,515	1,524
% Ch	*-0.2%*	*-1.6%*	*-0.5%*	*-1.5%*	*-1.5%*	*-0.7%*	*1.9%*	*1.7%*	*0.6%*
PRINTING									
Idaho	2,225	2,033	2,030	1,921	1,900	1,891	1,857	1,837	1,834
% Ch	*-4.9%*	*-8.6%*	*-0.1%*	*-5.3%*	*-1.1%*	*-0.4%*	*-1.8%*	*-1.1%*	*-0.1%*
National (Thousands)	769	707	680	662	648	643	650	644	637
% Ch	*-4.7%*	*-8.1%*	*-3.7%*	*-2.6%*	*-2.2%*	*-0.8%*	*1.1%*	*-0.9%*	*-1.2%*
CHEMICALS									
Idaho	2,324	1,925	1,831	1,877	1,937	2,013	1,985	1,910	1,850
% Ch	*-0.5%*	*-17.2%*	*-4.9%*	*2.5%*	*3.2%*	*3.9%*	*-1.4%*	*-3.8%*	*-3.2%*
National (Thousands)	959	927	906	887	879	888	884	874	862
% Ch	*-2.2%*	*-3.3%*	*-2.3%*	*-2.1%*	*-0.9%*	*1.0%*	*-0.5%*	*-1.1%*	*-1.4%*
OTHER NONDURABLES									
Idaho	4,224	4,172	4,152	4,334	4,379	4,281	4,376	4,481	4,601
% Ch	*-1.5%*	*-1.2%*	*-0.5%*	*4.4%*	*1.0%*	*-2.3%*	*2.2%*	*2.4%*	*2.7%*
National (Thousands)	2,829	2,616	2,442	2,347	2,280	2,229	2,190	2,139	2,080
% Ch	*-7.2%*	*-7.5%*	*-6.6%*	*-3.9%*	*-2.9%*	*-2.2%*	*-1.7%*	*-2.3%*	*-2.7%*
MINING									
Idaho	1,973	1,758	1,784	1,931	2,160	2,535	2,557	2,348	2,090
% Ch	*-15.9%*	*-10.9%*	*1.5%*	*8.2%*	*11.9%*	*17.4%*	*0.9%*	*-8.2%*	*-11.0%*
National (Thousands)	532	512	503	523	560	613	636	635	603
% Ch	*2.4%*	*-3.8%*	*-1.8%*	*4.0%*	*7.2%*	*9.4%*	*3.6%*	*0.0%*	*-5.1%*
CONSTRUCTION									
Idaho	37,858	36,462	36,727	39,823	45,124	51,807	51,650	50,366	48,742
% Ch	*3.7%*	*-3.7%*	*0.7%*	*8.4%*	*13.3%*	*14.8%*	*-0.3%*	*-2.5%*	*-3.2%*
National (Thousands)	6,827	6,716	6,732	6,974	7,278	7,509	7,511	7,552	7,655
% Ch	*0.6%*	*-1.6%*	*0.2%*	*3.6%*	*4.4%*	*3.2%*	*0.0%*	*0.5%*	*1.4%*
NONGOODS PRODUCING									
Idaho	457,805	463,007	470,150	482,600	499,359	518,703	537,501	554,338	570,367
% Ch	*2.5%*	*1.1%*	*1.5%*	*2.6%*	*3.5%*	*3.9%*	*3.6%*	*3.1%*	*2.9%*
National (Thousands)	107,958	107,787	108,182	109,544	111,322	112,963	114,748	116,774	118,510
% Ch	*0.8%*	*-0.2%*	*0.4%*	*1.3%*	*1.6%*	*1.5%*	*1.6%*	*1.8%*	*1.5%*
SERVICES									
Idaho	249,577	253,632	260,019	269,017	280,741	294,090	306,926	318,075	328,833
% Ch	*4.7%*	*1.6%*	*2.5%*	*3.5%*	*4.4%*	*4.8%*	*4.4%*	*3.6%*	*3.4%*
National (Thousands)	65,824	65,600	66,074	67,203	68,515	69,871	71,170	72,667	74,071
% Ch	*1.1%*	*-0.3%*	*0.7%*	*1.7%*	*2.0%*	*2.0%*	*1.9%*	*2.1%*	*1.9%*
INFORMATION									
Idaho	9,596	9,157	9,182	9,937	11,072	11,437	11,613	11,875	12,153
% Ch	*-2.7%*	*-4.6%*	*0.3%*	*8.2%*	*11.4%*	*3.3%*	*1.5%*	*2.3%*	*2.3%*
National (Thousands)	3,629	3,394	3,188	3,117	3,065	3,063	3,112	3,116	3,169
% Ch	*0.0%*	*-6.5%*	*-6.1%*	*-2.2%*	*-1.7%*	*-0.1%*	*1.6%*	*0.2%*	*1.7%*
FINANCIAL ACTIVITIES									
Idaho	25,013	25,824	26,944	27,937	29,653	31,760	33,309	34,638	35,870
% Ch	*-0.6%*	*3.2%*	*4.3%*	*3.7%*	*6.1%*	*7.1%*	*4.9%*	*4.0%*	*3.6%*
National (Thousands)	7,808	7,848	7,976	8,030	8,142	8,322	8,353	8,445	8,542
% Ch	*1.6%*	*0.5%*	*1.6%*	*0.7%*	*1.4%*	*2.2%*	*0.4%*	*1.1%*	*1.2%*

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2006

IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2006

EMPLOYMENT

SERVICES (Continued)

	1992	1993	1994	1995	1996	1997	1998	1999	2000
TRANS., WAREHOUSING, UTILITIES									
Idaho	14,055	14,557	15,465	16,508	17,329	17,624	18,159	19,004	19,409
% Ch	*4.3%*	*3.6%*	*6.2%*	*6.7%*	*5.0%*	*1.7%*	*3.0%*	*4.7%*	*2.1%*
National (Thousands)	4,188	4,264	4,390	4,505	4,576	4,647	4,781	4,906	5,013
% Ch	*-0.3%*	*1.8%*	*2.9%*	*2.6%*	*1.6%*	*1.5%*	*2.9%*	*2.6%*	*2.2%*
PROFESSIONAL & BUSINESS									
Idaho	33,756	36,872	39,173	42,480	42,934	47,295	50,766	54,793	60,625
% Ch	*3.2%*	*9.2%*	*6.2%*	*8.4%*	*1.1%*	*10.2%*	*7.3%*	*7.9%*	*10.6%*
National (Thousands)	10,967	11,493	12,171	12,846	13,461	14,333	15,142	15,954	16,670
% Ch	*2.3%*	*4.8%*	*5.9%*	*5.6%*	*4.8%*	*6.5%*	*5.6%*	*5.4%*	*4.5%*
EDUCATION & HEALTH									
Idaho	34,554	36,841	39,048	41,491	44,361	46,347	49,248	50,574	53,018
% Ch	*7.8%*	*6.6%*	*6.0%*	*6.3%*	*6.9%*	*4.5%*	*6.3%*	*2.7%*	*4.8%*
National (Thousands)	11,890	12,303	12,806	13,288	13,683	14,088	14,445	14,795	15,109
% Ch	*3.3%*	*3.5%*	*4.1%*	*3.8%*	*3.0%*	*3.0%*	*2.5%*	*2.4%*	*2.1%*
LEISURE & HOSPITALITY									
Idaho	39,614	41,375	44,569	46,651	47,558	48,840	50,425	51,461	52,565
% Ch	*5.8%*	*4.4%*	*7.7%*	*4.7%*	*1.9%*	*2.7%*	*3.2%*	*2.1%*	*2.1%*
National (Thousands)	9,439	9,733	10,098	10,499	10,774	11,016	11,232	11,544	11,860
% Ch	*2.0%*	*3.1%*	*3.7%*	*4.0%*	*2.6%*	*2.3%*	*2.0%*	*2.8%*	*2.7%*
OTHER SERVICES									
Idaho	12,045	13,426	15,355	15,829	15,393	15,506	16,234	17,144	17,643
% Ch	*3.6%*	*11.5%*	*14.4%*	*3.1%*	*-2.8%*	*0.7%*	*4.7%*	*5.6%*	*2.9%*
National (Thousands)	4,240	4,350	4,429	4,572	4,691	4,825	4,976	5,087	5,168
% Ch	*-0.2%*	*2.6%*	*1.8%*	*3.2%*	*2.6%*	*2.9%*	*3.1%*	*2.2%*	*1.6%*
TRADE									
Idaho	75,916	78,874	83,336	86,215	89,134	91,683	93,772	96,725	100,169
% Ch	*4.7%*	*3.9%*	*5.7%*	*3.5%*	*3.4%*	*2.9%*	*2.3%*	*3.1%*	*3.6%*
National (Thousands)	17,939	18,113	18,733	19,328	19,663	20,053	20,405	20,863	21,212
% Ch	*-0.8%*	*1.0%*	*3.4%*	*3.2%*	*1.7%*	*2.0%*	*1.8%*	*2.2%*	*1.7%*
RETAIL TRADE									
Idaho	54,822	57,743	61,034	63,162	65,408	67,175	69,160	71,418	74,456
% Ch	*4.8%*	*5.3%*	*5.7%*	*3.5%*	*3.6%*	*2.7%*	*3.0%*	*3.3%*	*4.3%*
National (Thousands)	*12,829*	*13,019*	*13,486*	*13,895*	*14,141*	*14,390*	*14,610*	*14,971*	*15,279*
% Ch	*-0.5%*	*1.5%*	*3.6%*	*3.0%*	*1.8%*	*1.8%*	*1.5%*	*2.5%*	*2.1%*
WHOLESALE TRADE									
Idaho	21,094	21,132	22,303	23,053	23,726	24,508	24,612	25,307	25,713
% Ch	*4.6%*	*0.2%*	*5.5%*	*3.4%*	*2.9%*	*3.3%*	*0.4%*	*2.8%*	*1.6%*
National (Thousands)	5,110	5,094	5,247	5,433	5,523	5,663	5,795	5,893	5,933
% Ch	*-1.5%*	*-0.3%*	*3.0%*	*3.5%*	*1.6%*	*2.6%*	*2.3%*	*1.7%*	*0.7%*
STATE & LOCAL GOVERNMENT									
Idaho	75,893	78,166	80,426	83,355	84,360	87,297	89,467	92,262	94,744
% Ch	*4.7%*	*3.0%*	*2.9%*	*3.6%*	*1.2%*	*3.5%*	*2.5%*	*3.1%*	*2.7%*
National (Thousands)	15,218	15,436	15,674	15,931	16,258	16,488	16,653	16,854	17,139
% Ch	*2.9%*	*1.4%*	*1.5%*	*1.6%*	*2.1%*	*1.4%*	*1.0%*	*1.2%*	*1.7%*
EDUCATION									
Idaho	38,516	39,830	40,542	42,571	42,572	44,219	45,413	46,750	47,989
% Ch	*2.5%*	*3.4%*	*1.8%*	*5.0%*	*0.0%*	*3.9%*	*2.7%*	*2.9%*	*2.7%*
NONEDUCATION									
Idaho	37,377	38,336	39,884	40,783	41,787	43,078	44,055	45,513	46,755
% Ch	*7.1%*	*2.6%*	*4.0%*	*2.3%*	*2.5%*	*3.1%*	*2.3%*	*3.3%*	*2.7%*
FEDERAL GOVERNMENT									
Idaho	13,450	13,575	13,493	13,113	12,899	12,904	12,800	12,834	13,502
% Ch	*4.3%*	*0.9%*	*-0.6%*	*-2.8%*	*-1.6%*	*0.0%*	*-0.8%*	*0.3%*	*5.2%*
National (Thousands)	3,112	3,062	3,016	2,947	2,876	2,806	2,771	2,770	2,865
% Ch	*0.0%*	*-1.6%*	*-1.5%*	*-2.3%*	*-2.4%*	*-2.5%*	*-1.2%*	*0.0%*	*3.4%*

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2006

IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2006

EMPLOYMENT

SERVICES (Continued)	2001	2002	2003	2004	2005	2006	2007	2008	2009
TRANS., WAREHOUSING, UTILITIES									
Idaho	19,156	18,675	18,762	18,944	19,291	19,870	20,501	20,791	20,856
% Ch	*-1.3%*	*-2.5%*	*0.5%*	*1.0%*	*1.8%*	*3.0%*	*3.2%*	*1.4%*	*0.3%*
National (Thousands)	4,973	4,820	4,762	4,811	4,904	4,963	5,043	5,154	5,280
% Ch	*-0.8%*	*-3.1%*	*-1.2%*	*1.0%*	*1.9%*	*1.2%*	*1.6%*	*2.2%*	*2.4%*
PROFESSIONAL & BUSINESS									
Idaho	67,653	69,014	70,000	73,137	76,901	81,435	86,005	90,070	93,994
% Ch	*11.6%*	*2.0%*	*1.4%*	*4.5%*	*5.1%*	*5.9%*	*5.6%*	*4.7%*	*4.4%*
National (Thousands)	16,481	15,977	15,984	16,391	16,876	17,344	17,935	18,637	19,333
% Ch	*-1.1%*	*-3.1%*	*0.0%*	*2.5%*	*3.0%*	*2.8%*	*3.4%*	*3.9%*	*3.7%*
EDUCATION & HEALTH									
Idaho	56,957	59,811	62,554	65,218	67,988	70,001	72,634	75,003	77,466
% Ch	*7.4%*	*5.0%*	*4.6%*	*4.3%*	*4.2%*	*3.0%*	*3.8%*	*3.3%*	*3.3%*
National (Thousands)	15,643	16,201	16,588	16,952	17,342	17,746	18,038	18,346	18,610
% Ch	*3.5%*	*3.6%*	*2.4%*	*2.2%*	*2.3%*	*2.3%*	*1.6%*	*1.7%*	*1.4%*
LEISURE & HOSPITALITY									
Idaho	53,059	53,284	54,409	55,574	57,360	60,563	63,260	65,367	67,486
% Ch	*0.9%*	*0.4%*	*2.1%*	*2.1%*	*3.2%*	*5.6%*	*4.5%*	*3.3%*	*3.2%*
National (Thousands)	12,032	11,989	12,176	12,493	12,799	13,025	13,244	13,475	13,619
% Ch	*1.5%*	*-0.4%*	*1.6%*	*2.6%*	*2.4%*	*1.8%*	*1.7%*	*1.7%*	*1.1%*
OTHER SERVICES									
Idaho	18,143	17,867	18,168	18,270	18,475	19,023	19,604	20,330	21,007
% Ch	*2.8%*	*-1.5%*	*1.7%*	*0.6%*	*1.1%*	*3.0%*	*3.1%*	*3.7%*	*3.3%*
National (Thousands)	5,258	5,372	5,400	5,409	5,387	5,407	5,446	5,494	5,517
% Ch	*1.7%*	*2.2%*	*0.5%*	*0.2%*	*-0.4%*	*0.4%*	*0.7%*	*0.9%*	*0.4%*
TRADE									
Idaho	98,087	97,342	97,115	99,125	103,670	107,821	112,417	116,668	120,674
% Ch	*-2.1%*	*-0.8%*	*-0.2%*	*2.1%*	*4.6%*	*4.0%*	*4.3%*	*3.8%*	*3.4%*
National (Thousands)	21,013	20,679	20,526	20,720	21,002	21,142	21,351	21,664	21,750
% Ch	*-0.9%*	*-1.6%*	*-0.7%*	*0.9%*	*1.4%*	*0.7%*	*1.0%*	*1.5%*	*0.4%*
RETAIL TRADE									
Idaho	72,621	72,393	72,618	73,715	76,790	79,840	83,252	86,634	90,001
% Ch	*-2.5%*	*-0.3%*	*0.3%*	*1.5%*	*4.2%*	*4.0%*	*4.3%*	*4.1%*	*3.9%*
National (Thousands)	*15,240*	*15,025*	*14,917*	*15,059*	*15,254*	*15,284*	*15,438*	*15,713*	*15,760*
% Ch	*-0.3%*	*-1.4%*	*-0.7%*	*0.9%*	*1.3%*	*0.2%*	*1.0%*	*1.8%*	*0.3%*
WHOLESALE TRADE									
Idaho	25,467	24,948	24,498	25,410	26,880	27,981	29,166	30,034	30,673
% Ch	*-1.0%*	*-2.0%*	*-1.8%*	*3.7%*	*5.8%*	*4.1%*	*4.2%*	*3.0%*	*2.1%*
National (Thousands)	5,773	5,653	5,609	5,662	5,748	5,858	5,913	5,951	5,990
% Ch	*-2.7%*	*-2.1%*	*-0.8%*	*0.9%*	*1.5%*	*1.9%*	*0.9%*	*0.6%*	*0.7%*
STATE & LOCAL GOVERNMENT									
Idaho	96,860	98,482	99,393	101,147	101,869	103,769	105,068	106,454	107,602
% Ch	*2.2%*	*1.7%*	*0.9%*	*1.8%*	*0.7%*	*1.9%*	*1.3%*	*1.3%*	*1.1%*
National (Thousands)	18,357	18,743	18,820	18,889	19,081	19,247	19,523	19,737	19,970
% Ch	*2.4%*	*2.1%*	*0.4%*	*0.4%*	*1.0%*	*0.9%*	*1.4%*	*1.1%*	*1.2%*
EDUCATION									
Idaho	49,024	49,654	49,909	50,818	51,308	52,161	53,168	54,107	54,771
% Ch	*2.2%*	*1.3%*	*0.5%*	*1.8%*	*1.0%*	*1.7%*	*1.9%*	*1.8%*	*1.2%*
NONEDUCATION									
Idaho	47,837	48,829	49,484	50,329	50,561	51,608	51,900	52,347	52,831
% Ch	*2.3%*	*2.1%*	*1.3%*	*1.7%*	*0.5%*	*2.1%*	*0.6%*	*0.9%*	*0.9%*
FEDERAL GOVERNMENT									
Idaho	13,280	13,551	13,623	13,311	13,079	13,023	13,089	13,141	13,258
% Ch	*-1.6%*	*2.0%*	*0.5%*	*-2.3%*	*-1.7%*	*-0.4%*	*0.5%*	*0.4%*	*0.9%*
National (Thousands)	2,763	2,766	2,761	2,731	2,725	2,704	2,704	2,706	2,719
% Ch	*-3.6%*	*0.1%*	*-0.2%*	*-1.1%*	*-0.2%*	*-0.8%*	*0.0%*	*0.1%*	*0.5%*

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2006

IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2006

MISCELLANEOUS

	1992	1993	1994	1995	1996	1997	1998	1999	2000
SELECTED CHAIN-WEIGHTED DEFL.									
Gross Domestic Product	86.402	88.391	90.265	92.115	93.859	95.415	96.475	97.868	100.000
% Ch	*2.3%*	*2.3%*	*2.1%*	*2.0%*	*1.9%*	*1.7%*	*1.1%*	*1.4%*	*2.2%*
Consumption Expenditures	85.825	87.804	89.654	91.577	93.547	95.124	95.978	97.575	100.000
% Ch	*2.9%*	*2.3%*	*2.1%*	*2.1%*	*2.2%*	*1.7%*	*0.9%*	*1.7%*	*2.5%*
Durable Goods	106.756	107.841	109.978	110.672	109.507	107.068	104.152	101.626	100.000
% Ch	*0.6%*	*1.0%*	*2.0%*	*0.6%*	*-1.1%*	*-2.2%*	*-2.7%*	*-2.4%*	*-1.6%*
Nondurable Goods	88.105	88.973	89.605	90.629	92.567	93.835	93.821	96.173	100.000
% Ch	*1.5%*	*1.0%*	*0.7%*	*1.1%*	*2.1%*	*1.4%*	*0.0%*	*2.5%*	*4.0%*
Services	80.684	83.345	85.748	88.320	90.844	93.305	95.319	97.393	100.000
% Ch	*4.1%*	*3.3%*	*2.9%*	*3.0%*	*2.9%*	*2.7%*	*2.2%*	*2.2%*	*2.7%*
Consumer Price Index (1982-84=1.000)	1.403	1.445	1.482	1.524	1.569	1.605	1.630	1.666	1.722
% Ch	*3.0%*	*3.0%*	*2.6%*	*2.8%*	*2.9%*	*2.3%*	*1.5%*	*2.2%*	*3.4%*
SELECTED INTEREST RATES									
Federal Funds	3.5%	3.0%	4.2%	5.8%	5.3%	5.5%	5.4%	5.0%	6.2%
NY Fed Discount	3.3%	3.0%	3.6%	5.2%	5.0%	5.0%	4.9%	4.6%	5.7%
Prime	6.3%	6.0%	7.1%	8.8%	8.3%	8.4%	8.4%	8.0%	9.2%
Existing Home Mortgage	8.1%	7.2%	7.5%	7.8%	7.7%	7.7%	7.1%	7.3%	8.0%
U.S. Govt. 3-Month Bills	3.4%	3.0%	4.2%	5.5%	5.0%	5.1%	4.8%	4.6%	5.8%
U.S. Govt. 6-Month Bills	3.6%	3.1%	4.6%	5.6%	5.1%	5.2%	4.8%	4.7%	5.9%
U.S. Govt. 5-Year Notes	6.2%	5.1%	6.7%	6.4%	6.2%	6.2%	5.2%	5.5%	6.2%
U.S. Govt. 10-Year Notes	7.0%	5.9%	7.1%	6.6%	6.4%	6.4%	5.3%	5.6%	6.0%
SELECTED US PRODUCTION INDICES									
Wood Products	82.8	83.7	88.7	90.8	93.8	96.6	100.9	105.1	103.6
% Ch	*5.5%*	*1.1%*	*5.9%*	*2.4%*	*3.3%*	*3.0%*	*4.4%*	*4.2%*	*-1.4%*
Computers & Electronic Products	15.5	17.1	20.3	26.4	33.6	45.2	58.3	77.2	102.5
% Ch	*12.8%*	*10.4%*	*18.7%*	*29.9%*	*27.6%*	*34.6%*	*28.8%*	*32.4%*	*32.8%*
Food	85.2	87.5	88.0	90.2	88.4	90.8	94.8	95.8	97.5
% Ch	*1.9%*	*2.7%*	*0.6%*	*2.6%*	*-2.1%*	*2.8%*	*4.4%*	*1.0%*	*1.7%*
Agricultural Chemicals	114.5	115.5	115.3	114.9	117.2	121.6	124.1	111.9	105.6
% Ch	*4.2%*	*0.8%*	*-0.2%*	*-0.4%*	*2.0%*	*3.7%*	*2.1%*	*-9.9%*	*-5.6%*
Metal Ore Mining	120.0	119.2	121.4	122.6	125.3	132.1	131.5	120.7	120.2
% Ch	*7.3%*	*-0.7%*	*1.9%*	*1.0%*	*2.2%*	*5.5%*	*-0.4%*	*-8.3%*	*-0.4%*

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2006

IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2006

MISCELLANEOUS

	2001	2002	2003	2004	2005	2006	2007	2008	2009
SELECTED CHAIN-WEIGHTED DEFL.									
Gross Domestic Product	102.402	104.193	106.310	109.102	112.176	115.505	118.111	120.328	122.700
% Ch	*2.4%*	*1.7%*	*2.0%*	*2.6%*	*2.8%*	*3.0%*	*2.3%*	*1.9%*	*2.0%*
Consumption Expenditures	102.094	103.542	105.520	108.246	111.313	114.389	116.622	118.679	120.663
% Ch	*2.1%*	*1.4%*	*1.9%*	*2.6%*	*2.8%*	*2.8%*	*2.0%*	*1.8%*	*1.7%*
Durable Goods	98.114	95.766	92.372	90.631	90.168	89.310	88.898	88.304	87.534
% Ch	*-1.9%*	*-2.4%*	*-3.5%*	*-1.9%*	*-0.5%*	*-1.0%*	*-0.5%*	*-0.7%*	*-0.9%*
Nondurable Goods	101.531	102.089	104.151	107.635	111.596	115.221	116.081	117.245	118.230
% Ch	*1.5%*	*0.5%*	*2.0%*	*3.3%*	*3.7%*	*3.2%*	*0.7%*	*1.0%*	*0.8%*
Services	103.257	106.018	109.246	112.695	116.195	119.985	123.600	126.792	130.003
% Ch	*3.3%*	*2.7%*	*3.0%*	*3.2%*	*3.1%*	*3.3%*	*3.0%*	*2.6%*	*2.5%*
Consumer Price Index (1982-84=100)	1.770	1.799	1.840	1.889	1.953	2.017	2.058	2.093	2.126
% Ch	*2.8%*	*1.6%*	*2.3%*	*2.7%*	*3.4%*	*3.3%*	*2.1%*	*1.7%*	*1.6%*

	2001	2002	2003	2004	2005	2006	2007	2008	2009
SELECTED INTEREST RATES									
Federal Funds	3.9%	1.7%	1.1%	1.3%	3.2%	5.1%	5.2%	4.8%	4.9%
NY Fed Discount	3.4%	1.2%	2.1%	2.3%	4.2%	6.0%	6.2%	5.8%	5.9%
Prime	6.9%	4.7%	4.1%	4.3%	6.2%	8.1%	8.2%	7.8%	7.9%
Existing Home Mortgage	7.0%	6.5%	5.7%	5.7%	5.9%	6.7%	6.9%	7.0%	7.3%
U.S. Govt. 3-Month Bills	3.4%	1.6%	1.0%	1.4%	3.1%	4.9%	5.0%	4.7%	4.9%
U.S. Govt. 6-Month Bills	3.4%	1.7%	1.1%	1.6%	3.4%	5.0%	5.1%	4.8%	4.9%
U.S. Govt. 5-Year Notes	4.6%	3.8%	3.0%	3.4%	4.0%	5.0%	5.3%	5.3%	5.5%
U.S. Govt. 10-Year Notes	5.0%	4.6%	4.0%	4.3%	4.3%	5.1%	5.3%	5.4%	5.6%

	2001	2002	2003	2004	2005	2006	2007	2008	2009
SELECTED US PRODUCTION INDICES									
Wood Products	97.0	100.0	98.8	104.9	107.6	109.0	103.4	100.9	100.2
% Ch	*-6.4%*	*3.1%*	*-1.2%*	*6.1%*	*2.6%*	*1.3%*	*-5.1%*	*-2.4%*	*-0.7%*
Computers & Electronic Products	103.6	100.0	112.6	130.7	156.7	181.3	201.3	221.6	245.1
% Ch	*1.1%*	*-3.5%*	*12.6%*	*16.1%*	*19.9%*	*15.7%*	*11.1%*	*10.1%*	*10.6%*
Food	97.5	100.0	99.6	100.8	103.2	106.5	108.2	110.2	112.1
% Ch	*0.1%*	*2.5%*	*-0.4%*	*1.3%*	*2.3%*	*3.2%*	*1.6%*	*1.9%*	*1.7%*
Agricultural Chemicals	97.2	100.0	103.9	107.1	108.5	106.8	104.8	102.8	103.0
% Ch	*-7.9%*	*2.9%*	*3.9%*	*3.0%*	*1.3%*	*-1.5%*	*-1.9%*	*-1.9%*	*0.2%*
Metal Ore Mining	109.2	100.0	94.3	94.0	100.4	105.4	110.6	111.1	112.2
% Ch	*-9.2%*	*-8.4%*	*-5.7%*	*-0.4%*	*6.8%*	*5.0%*	*4.9%*	*0.5%*	*1.0%*

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2006

IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2006

DEMOGRAPHICS

	2003 Q1	2003 Q2	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3	2004 Q4	2005 Q1	2005 Q2	2005 Q3	2005 Q4
POPULATION												
Idaho (Thousands)	1,356.5	1,362.4	1,368.3	1,374.7	1,381.2	1,387.6	1,394.3	1,400.9	1,411.2	1,422.5	1,434.2	1,444.0
% Ch	*1.8%*	*1.8%*	*1.8%*	*1.9%*	*1.9%*	*1.9%*	*2.0%*	*1.9%*	*3.0%*	*3.2%*	*3.3%*	*2.8%*
National (Millions)	290.294	291.028	291.853	292.560	293.183	293.907	294.583	295.257	295.930	296.604	297.279	297.950
% Ch	*0.9%*	*1.0%*	*1.1%*	*1.0%*	*0.9%*	*1.0%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*
BIRTHS												
Idaho (Thousands)	21.387	21.635	21.850	22.071	22.203	22.409	22.682	22.810	22.870	23.189	23.527	23.789
% Ch	*3.6%*	*4.7%*	*4.0%*	*4.1%*	*2.4%*	*3.8%*	*5.0%*	*2.3%*	*1.0%*	*5.7%*	*5.9%*	*4.5%*
National (Thousands)	3,894	3,898	3,903	3,909	3,915	3,921	3,928	3,935	3,943	3,951	3,959	3,968
% Ch	*0.4%*	*0.4%*	*0.5%*	*0.6%*	*0.6%*	*0.6%*	*0.7%*	*0.8%*	*0.8%*	*0.8%*	*0.8%*	*0.9%*
DEATHS												
Idaho (Thousands)	10.100	10.270	10.390	10.470	10.320	10.125	9.890	9.745	10.114	10.188	10.265	10.331
% Ch	*5.0%*	*6.9%*	*4.8%*	*3.1%*	*-5.6%*	*-7.3%*	*-9.0%*	*-5.7%*	*16.0%*	*3.0%*	*3.0%*	*2.6%*
National (Thousands)	2,480	2,485	2,490	2,495	2,499	2,504	2,510	2,515	2,520	2,525	2,531	2,536
% Ch	*0.8%*	*0.8%*	*0.8%*	*0.8%*	*0.8%*	*0.8%*	*0.8%*	*0.8%*	*0.8%*	*0.8%*	*1.0%*	*0.8%*
NET MIGRATION												
Idaho (Thousands)	11.959	11.567	12.074	12.707	12.872	12.920	13.206	13.055	17.250	21.913	26.597	29.664
HOUSING												
HOUSING STARTS												
Idaho	15,901	15,222	16,393	17,668	16,418	17,892	19,073	20,550	23,136	22,686	24,763	22,114
% Ch	*1.2%*	*-16.0%*	*34.5%*	*34.9%*	*-25.4%*	*41.0%*	*29.1%*	*34.8%*	*60.7%*	*-7.6%*	*42.0%*	*-36.4%*
National (Millions)	1.736	1.754	1.890	2.036	1.918	1.937	1.977	1.965	2.069	2.064	2.101	2.060
% Ch	*1.5%*	*4.1%*	*34.8%*	*34.7%*	*-21.1%*	*4.0%*	*8.4%*	*-2.3%*	*22.7%*	*-1.0%*	*7.4%*	*-7.6%*
SINGLE UNITS												
Idaho	12,630	13,046	14,188	15,393	14,098	15,419	16,497	18,284	20,890	20,187	21,905	20,270
% Ch	*11.9%*	*13.8%*	*39.9%*	*38.6%*	*-29.6%*	*43.1%*	*31.0%*	*50.9%*	*70.4%*	*-12.8%*	*38.7%*	*-26.7%*
National (Millions)	1.412	1.426	1.525	1.657	1.558	1.608	1.640	1.611	1.703	1.707	1.748	1.718
% Ch	*5.1%*	*3.9%*	*30.7%*	*39.6%*	*-22.0%*	*13.6%*	*8.3%*	*-7.0%*	*25.1%*	*0.9%*	*9.9%*	*-6.6%*
MULTIPLE UNITS												
Idaho	3,271	2,176	2,205	2,276	2,321	2,472	2,576	2,266	2,246	2,499	2,857	1,844
% Ch	*-29.7%*	*-80.4%*	*5.6%*	*13.3%*	*8.2%*	*28.9%*	*17.8%*	*-40.1%*	*-3.5%*	*53.2%*	*70.9%*	*-82.7%*
National (Millions)	0.324	0.328	0.365	0.378	0.361	0.329	0.337	0.355	0.365	0.357	0.353	0.342
% Ch	*-12.5%*	*5.0%*	*54.0%*	*15.4%*	*-17.4%*	*-30.5%*	*9.2%*	*23.2%*	*12.6%*	*-9.2%*	*-3.7%*	*-12.6%*
HOUSING STOCK												
Idaho (Thousands)	451.5	454.9	458.7	462.8	466.5	470.6	475.1	479.8	485.3	490.6	496.4	501.5
% Ch	*3.3%*	*3.1%*	*3.3%*	*3.6%*	*3.3%*	*3.6%*	*3.8%*	*4.1%*	*4.6%*	*4.4%*	*4.8%*	*4.2%*

IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2006

DEMOGRAPHICS

	2006 Q1	2006 Q2	2006 Q3	2006 Q4	2007 Q1	2007 Q2	2007 Q3	2007 Q4	2008 Q1	2008 Q2	2008 Q3	2008 Q4
POPULATION												
Idaho (Thousands)	1,453.2	1,462.0	1,470.9	1,479.6	1,487.7	1,495.7	1,503.7	1,511.2	1,519.3	1,527.2	1,534.7	1,542.5
% Ch	*2.6%*	*2.5%*	*2.4%*	*2.4%*	*2.2%*	*2.2%*	*2.1%*	*2.0%*	*2.2%*	*2.1%*	*2.0%*	*2.0%*
National (Millions)	298.621	299.292	299.960	300.628	301.295	301.963	302.628	303.287	303.945	304.604	305.260	305.929
% Ch	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*
BIRTHS												
Idaho (Thousands)	24.029	24.256	24.481	24.701	24.901	25.094	25.286	25.462	25.659	25.849	26.021	26.205
% Ch	*4.1%*	*3.8%*	*3.8%*	*3.6%*	*3.3%*	*3.1%*	*3.1%*	*2.8%*	*3.1%*	*3.0%*	*2.7%*	*2.9%*
National (Thousands)	3,977	3,986	3,995	4,006	4,017	4,027	4,038	4,049	4,060	4,071	4,083	4,094
% Ch	*0.9%*	*0.9%*	*0.9%*	*1.1%*	*1.1%*	*1.0%*	*1.1%*	*1.1%*	*1.1%*	*1.1%*	*1.2%*	*1.1%*
DEATHS												
Idaho (Thousands)	10.393	10.453	10.513	10.573	10.629	10.684	10.739	10.792	10.848	10.903	10.955	11.009
% Ch	*2.4%*	*2.3%*	*2.3%*	*2.3%*	*2.1%*	*2.1%*	*2.1%*	*2.0%*	*2.1%*	*2.0%*	*1.9%*	*2.0%*
National (Thousands)	2,540	2,545	2,550	2,556	2,561	2,566	2,571	2,576	2,582	2,587	2,592	2,598
% Ch	*0.6%*	*0.8%*	*0.8%*	*0.9%*	*0.8%*	*0.8%*	*0.8%*	*0.8%*	*0.9%*	*0.8%*	*0.8%*	*0.9%*
NET MIGRATION												
Idaho (Thousands)	28.309	25.755	22.708	21.453	20.286	19.261	18.262	17.014	16.800	16.583	15.966	16.023
HOUSING												
HOUSING STARTS												
Idaho	23,231	22,568	22,635	22,564	22,348	22,104	21,919	21,763	21,511	21,218	20,937	20,703
% Ch	*21.8%*	*-10.9%*	*1.2%*	*-1.3%*	*-3.8%*	*-4.3%*	*-3.3%*	*-2.8%*	*-4.5%*	*-5.3%*	*-5.2%*	*-4.4%*
National (Millions)	2.123	1.913	1.862	1.811	1.777	1.748	1.742	1.752	1.753	1.753	1.758	1.751
% Ch	*12.9%*	*-34.0%*	*-10.4%*	*-10.6%*	*-7.2%*	*-6.5%*	*-1.3%*	*2.3%*	*0.3%*	*0.0%*	*1.1%*	*-1.7%*
SINGLE UNITS												
Idaho	21,297	20,417	20,556	20,548	20,384	20,178	19,988	19,806	19,553	19,280	19,020	18,788
% Ch	*21.8%*	*-15.5%*	*2.8%*	*-0.2%*	*-3.1%*	*-4.0%*	*-3.7%*	*-3.6%*	*-5.0%*	*-5.5%*	*-5.3%*	*-4.8%*
National (Millions)	1.747	1.569	1.536	1.488	1.443	1.413	1.395	1.391	1.388	1.387	1.387	1.380
% Ch	*6.9%*	*-34.9%*	*-8.2%*	*-11.9%*	*-11.8%*	*-8.0%*	*-4.9%*	*-1.1%*	*-0.8%*	*-0.3%*	*-0.1%*	*-2.0%*
MULTIPLE UNITS												
Idaho	1,934	2,151	2,079	2,016	1,964	1,926	1,931	1,957	1,958	1,938	1,918	1,915
% Ch	*21.0%*	*53.1%*	*-12.8%*	*-11.6%*	*-10.0%*	*-7.5%*	*1.0%*	*5.6%*	*0.2%*	*-4.0%*	*-4.1%*	*-0.5%*
National (Millions)	0.376	0.344	0.326	0.322	0.335	0.335	0.347	0.361	0.365	0.366	0.371	0.371
% Ch	*46.7%*	*-29.9%*	*-19.7%*	*-4.2%*	*16.4%*	*0.3%*	*15.2%*	*16.8%*	*4.9%*	*1.2%*	*5.8%*	*-0.7%*
HOUSING STOCK												
Idaho (Thousands)	507.0	512.2	517.5	522.8	528.0	533.1	538.2	543.2	548.2	553.1	557.9	562.6
% Ch	*4.4%*	*4.2%*	*4.2%*	*4.1%*	*4.0%*	*3.9%*	*3.9%*	*3.8%*	*3.7%*	*3.6%*	*3.5%*	*3.5%*

IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2006

OUTPUT, INCOME, & WAGES

	2003				2004				2005			
	Q1	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**
GROSS DOM. PRODUCT (Billions)												
Current Dollars	10,717	10,845	11,087	11,236	11,457	11,666	11,819	11,995	12,199	12,378	12,606	12,766
% Ch	*4.8%*	*4.8%*	*9.3%*	*5.5%*	*8.1%*	*7.5%*	*5.3%*	*6.1%*	*7.0%*	*6.0%*	*7.6%*	*5.2%*
2000 Chain-Weighted	10,139	10,230	10,411	10,503	10,613	10,704	10,809	10,897	10,999	11,089	11,202	11,248
% Ch	*1.7%*	*3.7%*	*7.2%*	*3.6%*	*4.3%*	*3.5%*	*4.0%*	*3.3%*	*3.8%*	*3.3%*	*4.1%*	*1.7%*
PERSONAL INCOME - CURR $												
Idaho (Millions)	34,285	34,397	34,762	35,171	36,493	37,383	37,566	38,548	39,532	40,024	40,388	41,167
% Ch	*-1.2%*	*1.3%*	*4.3%*	*4.8%*	*15.9%*	*10.1%*	*2.0%*	*10.9%*	*10.6%*	*5.1%*	*3.7%*	*7.9%*
Idaho Nonfarm (Millions)	33,617	33,686	34,056	34,393	35,219	35,987	36,489	37,590	38,044	38,600	39,164	39,767
% Ch	*6.2%*	*0.8%*	*4.5%*	*4.0%*	*10.0%*	*9.0%*	*5.7%*	*12.6%*	*4.9%*	*6.0%*	*6.0%*	*6.3%*
National (Billions)	9,014	9,119	9,215	9,329	9,485	9,614	9,729	10,025	10,073	10,186	10,250	10,441
% Ch	*4.0%*	*4.7%*	*4.3%*	*5.0%*	*6.9%*	*5.6%*	*4.9%*	*12.7%*	*2.0%*	*4.5%*	*2.6%*	*7.7%*
PERSONAL INCOME - 2000 $												
Idaho (Millions)	32,637	32,691	32,877	33,156	34,079	34,585	34,628	35,260	35,959	36,112	36,110	36,548
% Ch	*-4.1%*	*0.7%*	*2.3%*	*3.4%*	*11.6%*	*6.1%*	*0.5%*	*7.5%*	*8.2%*	*1.7%*	*0.0%*	*4.9%*
Idaho Nonfarm (Millions)	32,001	32,015	32,209	32,423	32,889	33,294	33,635	34,383	34,606	34,827	35,016	35,305
% Ch	*3.1%*	*0.2%*	*2.4%*	*2.7%*	*5.9%*	*5.0%*	*4.2%*	*9.2%*	*2.6%*	*2.6%*	*2.2%*	*3.3%*
National (Billions)	8,580	8,666	8,716	8,794	8,857	8,895	8,968	9,170	9,163	9,190	9,165	9,270
% Ch	*0.9%*	*4.1%*	*2.3%*	*3.7%*	*2.9%*	*1.7%*	*3.3%*	*9.3%*	*-0.3%*	*1.2%*	*-1.1%*	*4.7%*
PER CAPITA PERS INC - CURR $												
Idaho	25,275	25,248	25,405	25,584	26,421	26,941	26,942	27,518	28,013	28,137	28,161	28,510
% Ch	*-2.9%*	*-0.4%*	*2.5%*	*2.9%*	*13.7%*	*8.1%*	*0.0%*	*8.8%*	*7.4%*	*1.8%*	*0.3%*	*5.0%*
National	31,050	31,332	31,575	31,886	32,351	32,712	33,027	33,953	34,040	34,341	34,481	35,043
% Ch	*3.1%*	*3.7%*	*3.1%*	*4.0%*	*6.0%*	*4.5%*	*3.9%*	*11.7%*	*1.0%*	*3.6%*	*1.6%*	*6.7%*
PER CAPITA PERS INC - 2000 $												
Idaho	24,060	23,996	24,027	24,118	24,673	24,925	24,835	25,170	25,481	25,387	25,178	25,311
% Ch	*-5.8%*	*-1.1%*	*0.5%*	*1.5%*	*9.5%*	*4.1%*	*-1.4%*	*5.5%*	*5.0%*	*-1.5%*	*-3.2%*	*2.1%*
National	29,557	29,778	29,863	30,060	30,211	30,264	30,444	31,056	30,963	30,985	30,829	31,112
% Ch	*0.1%*	*3.0%*	*1.1%*	*2.7%*	*2.0%*	*0.7%*	*2.4%*	*8.3%*	*-1.2%*	*0.3%*	*-2.0%*	*3.7%*
AVERAGE ANNUAL WAGE												
Idaho	29,602	29,637	29,914	29,818	30,305	30,648	31,019	31,753	31,857	32,164	32,482	32,579
% Ch	*5.1%*	*0.5%*	*3.8%*	*-1.3%*	*6.7%*	*4.6%*	*4.9%*	*9.8%*	*1.3%*	*3.9%*	*4.0%*	*1.2%*
National	38,660	39,184	39,586	39,844	40,244	40,511	41,200	42,065	42,428	42,575	43,083	43,117
% Ch	*4.2%*	*5.5%*	*4.2%*	*2.6%*	*4.1%*	*2.7%*	*7.0%*	*8.7%*	*3.5%*	*1.4%*	*4.9%*	*0.3%*

IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2006

OUTPUT, INCOME, & WAGES

	2006				2007				2008			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GROSS DOM. PRODUCT (Billions)												
Current Dollars	13,042	13,223	13,386	13,538	13,712	13,864	14,024	14,187	14,370	14,559	14,754	14,937
% Ch	*8.9%*	*5.6%*	*5.0%*	*4.6%*	*5.2%*	*4.5%*	*4.7%*	*4.7%*	*5.3%*	*5.4%*	*5.4%*	*5.1%*
2000 Chain-Weighted	11,404	11,470	11,549	11,628	11,691	11,758	11,848	11,934	12,027	12,128	12,232	12,328
% Ch	*5.6%*	*2.3%*	*2.8%*	*2.8%*	*2.2%*	*2.3%*	*3.1%*	*2.9%*	*3.1%*	*3.4%*	*3.5%*	*3.2%*
PERSONAL INCOME - CURR $												
Idaho (Millions)	41,374	42,434	43,135	43,902	44,778	45,615	46,263	46,999	47,793	48,583	49,321	50,125
% Ch	*2.0%*	*10.7%*	*6.8%*	*7.3%*	*8.2%*	*7.7%*	*5.8%*	*6.5%*	*6.9%*	*6.8%*	*6.2%*	*6.7%*
Idaho Nonfarm (Millions)	40,431	41,347	42,070	42,785	43,619	44,426	45,128	45,862	46,648	47,426	48,149	48,931
% Ch	*6.8%*	*9.4%*	*7.2%*	*7.0%*	*8.0%*	*7.6%*	*6.5%*	*6.7%*	*7.0%*	*6.8%*	*6.2%*	*6.7%*
National (Billions)	10,582	10,737	10,875	11,011	11,175	11,327	11,476	11,632	11,806	11,982	12,154	12,329
% Ch	*5.5%*	*6.0%*	*5.3%*	*5.1%*	*6.1%*	*5.5%*	*5.4%*	*5.6%*	*6.1%*	*6.1%*	*5.9%*	*5.9%*
PERSONAL INCOME - 2000 $												
Idaho (Millions)	36,551	37,106	37,541	38,142	38,660	39,188	39,581	40,038	40,520	41,020	41,464	41,989
% Ch	*0.0%*	*6.2%*	*4.8%*	*6.6%*	*5.5%*	*5.6%*	*4.1%*	*4.7%*	*4.9%*	*5.0%*	*4.4%*	*5.2%*
Idaho Nonfarm (Millions)	35,718	36,156	36,614	37,172	37,660	38,166	38,610	39,069	39,548	40,043	40,479	40,989
% Ch	*4.8%*	*5.0%*	*5.2%*	*6.2%*	*5.4%*	*5.5%*	*4.7%*	*4.8%*	*5.0%*	*5.1%*	*4.4%*	*5.1%*
National (Billions)	9,348	9,389	9,465	9,566	9,649	9,731	9,819	9,909	10,009	10,117	10,218	10,328
% Ch	*3.4%*	*1.7%*	*3.3%*	*4.3%*	*3.5%*	*3.5%*	*3.6%*	*3.8%*	*4.1%*	*4.4%*	*4.1%*	*4.3%*
PER CAPITA PERS INC - CURR $												
Idaho	28,472	29,024	29,326	29,672	30,098	30,497	30,766	31,099	31,457	31,811	32,137	32,497
% Ch	*-0.5%*	*8.0%*	*4.2%*	*4.8%*	*5.9%*	*5.4%*	*3.6%*	*4.4%*	*4.7%*	*4.6%*	*4.2%*	*4.6%*
National	35,435	35,874	36,256	36,626	37,091	37,511	37,921	38,354	38,842	39,336	39,816	40,299
% Ch	*4.5%*	*5.0%*	*4.3%*	*4.1%*	*5.2%*	*4.6%*	*4.4%*	*4.6%*	*5.2%*	*5.2%*	*5.0%*	*4.9%*
PER CAPITA PERS INC - 2000 $												
Idaho	25,153	25,380	25,523	25,779	25,986	26,200	26,323	26,494	26,669	26,859	27,018	27,222
% Ch	*-2.5%*	*3.7%*	*2.3%*	*4.1%*	*3.3%*	*3.3%*	*1.9%*	*2.6%*	*2.7%*	*2.9%*	*2.4%*	*3.1%*
National	31,304	31,369	31,555	31,821	32,024	32,226	32,445	32,674	32,931	33,212	33,474	33,758
% Ch	*2.5%*	*0.8%*	*2.4%*	*3.4%*	*2.6%*	*2.5%*	*2.7%*	*2.9%*	*3.2%*	*3.5%*	*3.2%*	*3.4%*
AVERAGE ANNUAL WAGE												
Idaho	32,629	33,106	33,475	33,803	34,246	34,622	34,914	35,244	35,664	36,013	36,340	36,705
% Ch	*0.6%*	*6.0%*	*4.5%*	*4.0%*	*5.3%*	*4.5%*	*3.4%*	*3.8%*	*4.9%*	*4.0%*	*3.7%*	*4.1%*
National	43,535	44,026	44,407	44,771	45,166	45,527	45,924	46,336	46,846	47,303	47,752	48,213
% Ch	*3.9%*	*4.6%*	*3.5%*	*3.3%*	*3.6%*	*3.2%*	*3.5%*	*3.6%*	*4.5%*	*4.0%*	*3.8%*	*3.9%*

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2006

IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2006

PERSONAL INCOME -- CURR $$

	2003				2004				2005			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	17,565	17,533	17,750	17,836	18,186	18,630	18,972	19,585	19,943	20,225	20,658	20,897
% Ch	*4.1%*	*-0.7%*	*5.0%*	*2.0%*	*8.1%*	*10.1%*	*7.5%*	*13.6%*	*7.5%*	*5.8%*	*8.8%*	*4.7%*
National (Billions)	5,030	5,088	5,140	5,187	5,255	5,318	5,422	5,563	5,630	5,672	5,762	5,785
% Ch	*3.7%*	*4.7%*	*4.2%*	*3.7%*	*5.3%*	*4.9%*	*8.0%*	*10.8%*	*4.9%*	*3.0%*	*6.5%*	*1.6%*
FARM PROPRIETORS INCOME												
Idaho (Millions)	296	339	327	389	935	1,041	703	561	1,084	1,016	813	985
% Ch	*-98.5%*	*72.0%*	*-13.4%*	*100.3%*	*3237.7%*	*53.7%*	*-79.2%*	*-59.4%*	*1294.0%*	*-22.8%*	*-59.0%*	*115.5%*
National (Billions)	21	27	28	35	45	44	30	25	25	20	18	21
% Ch	*54.1%*	*209.9%*	*15.5%*	*140.0%*	*165.4%*	*-6.1%*	*-79.4%*	*-52.9%*	*1.6%*	*-60.4%*	*-28.9%*	*85.3%*
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	3,400	3,418	3,478	3,544	3,687	3,800	3,858	3,922	4,067	4,177	4,260	4,347
% Ch	*11.7%*	*2.1%*	*7.2%*	*7.8%*	*17.1%*	*12.8%*	*6.2%*	*6.8%*	*15.6%*	*11.3%*	*8.2%*	*8.4%*
National (Billions)	758	774	793	805	825	854	859	876	893	917	914	947
% Ch	*-1.0%*	*8.9%*	*10.1%*	*6.1%*	*10.6%*	*14.7%*	*2.5%*	*8.1%*	*7.9%*	*11.1%*	*-1.2%*	*14.9%*
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	5,973	5,920	5,883	6,030	6,004	6,033	6,051	6,316	6,039	6,064	6,063	6,174
% Ch	*5.2%*	*-3.5%*	*-2.5%*	*10.4%*	*-1.7%*	*1.9%*	*1.2%*	*18.7%*	*-16.4%*	*1.7%*	*-0.1%*	*7.5%*
National (Billions)	1,472	1,466	1,458	1,485	1,495	1,506	1,500	1,622	1,526	1,544	1,458	1,593
% Ch	*4.1%*	*-1.7%*	*-2.2%*	*7.7%*	*2.6%*	*3.0%*	*-1.4%*	*36.7%*	*-21.7%*	*4.9%*	*-20.6%*	*42.7%*
OTHER LABOR INCOME												
Idaho (Millions)	4,267	4,263	4,328	4,383	4,568	4,694	4,782	4,937	5,099	5,184	5,302	5,397
% Ch	*9.0%*	*-0.4%*	*6.2%*	*5.2%*	*18.0%*	*11.5%*	*7.7%*	*13.6%*	*13.8%*	*6.8%*	*9.4%*	*7.4%*
National (Billions)	805	822	838	855	877	888	898	920	950	964	987	999
% Ch	*11.5%*	*8.6%*	*8.3%*	*8.5%*	*10.5%*	*4.9%*	*4.8%*	*10.0%*	*13.9%*	*6.2%*	*9.6%*	*5.0%*
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	5,125	5,240	5,329	5,338	5,541	5,642	5,688	5,786	5,938	6,022	5,997	6,103
% Ch	*5.9%*	*9.3%*	*7.0%*	*0.7%*	*16.1%*	*7.5%*	*3.3%*	*7.1%*	*10.9%*	*5.8%*	*-1.7%*	*7.3%*
National (Billions)	1,320	1,337	1,357	1,362	1,400	1,420	1,442	1,449	1,489	1,510	1,558	1,545
% Ch	*3.9%*	*5.3%*	*6.1%*	*1.6%*	*11.4%*	*5.9%*	*6.3%*	*2.2%*	*11.4%*	*5.7%*	*13.5%*	*-3.4%*
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	2,894	2,888	2,919	2,922	3,007	3,057	3,094	3,175	3,261	3,298	3,358	3,389
% Ch	*9.7%*	*-0.8%*	*4.4%*	*0.4%*	*12.2%*	*6.8%*	*4.9%*	*10.9%*	*11.3%*	*4.6%*	*7.5%*	*3.7%*
National (Billions)	375	379	382	385	395	398	404	413	422	423	428	429
% Ch	*10.0%*	*4.4%*	*3.7%*	*2.8%*	*11.0%*	*3.1%*	*6.6%*	*9.2%*	*8.5%*	*1.5%*	*4.8%*	*0.9%*
RESIDENCE ADJUSTMENT												
Idaho (Millions)	553	573	586	572	580	599	607	615	622	634	652	653
% Ch	*8.4%*	*15.3%*	*9.4%*	*-9.2%*	*5.7%*	*13.8%*	*5.5%*	*5.4%*	*4.6%*	*7.9%*	*11.8%*	*0.6%*

IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2006

PERSONAL INCOME -- CURR $$

	2006 Q1	2006 Q2	2006 Q3	2006 Q4	2007 Q1	2007 Q2	2007 Q3	2007 Q4	2008 Q1	2008 Q2	2008 Q3	2008 Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	21,245	21,792	22,208	22,594	23,046	23,446	23,793	24,155	24,582	24,949	25,289	25,667
% Ch	*6.8%*	*10.7%*	*7.8%*	*7.1%*	*8.2%*	*7.1%*	*6.1%*	*6.2%*	*7.2%*	*6.1%*	*5.6%*	*6.1%*
National (Billions)	5,865	5,950	6,023	6,091	6,165	6,234	6,310	6,389	6,481	6,568	6,655	6,742
% Ch	*5.7%*	*5.9%*	*5.0%*	*4.6%*	*5.0%*	*4.6%*	*4.9%*	*5.1%*	*5.9%*	*5.5%*	*5.4%*	*5.3%*
FARM PROPRIETORS INCOME												
Idaho (Millions)	524	695	668	717	759	789	733	735	742	752	766	788
% Ch	*-92.0%*	*209.7%*	*-14.6%*	*32.6%*	*25.4%*	*16.6%*	*-25.2%*	*0.8%*	*4.0%*	*5.6%*	*7.5%*	*11.8%*
National (Billions)	15	9	8	10	13	14	12	12	13	13	13	14
% Ch	*-73.3%*	*-88.9%*	*-33.9%*	*148.1%*	*180.0%*	*27.1%*	*-36.4%*	*1.1%*	*18.1%*	*8.4%*	*11.3%*	*17.8%*
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	4,432	4,507	4,591	4,693	4,756	4,817	4,880	4,951	5,038	5,128	5,211	5,291
% Ch	*8.1%*	*7.0%*	*7.6%*	*9.2%*	*5.5%*	*5.2%*	*5.3%*	*6.0%*	*7.3%*	*7.3%*	*6.6%*	*6.3%*
National (Billions)	962	978	995	1,013	1,025	1,037	1,049	1,063	1,081	1,099	1,116	1,132
% Ch	*6.6%*	*6.7%*	*7.4%*	*7.4%*	*4.9%*	*4.6%*	*4.8%*	*5.5%*	*6.9%*	*6.9%*	*6.2%*	*5.9%*
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	6,170	6,309	6,405	6,512	6,699	6,900	7,072	7,224	7,382	7,560	7,737	7,915
% Ch	*-0.3%*	*9.4%*	*6.2%*	*6.9%*	*12.0%*	*12.5%*	*10.4%*	*8.9%*	*9.1%*	*10.0%*	*9.7%*	*9.5%*
National (Billions)	1,601	1,624	1,647	1,672	1,719	1,762	1,801	1,835	1,870	1,911	1,953	1,995
% Ch	*2.0%*	*5.7%*	*5.9%*	*6.3%*	*11.5%*	*10.5%*	*9.1%*	*7.9%*	*7.8%*	*9.0%*	*9.1%*	*8.9%*
OTHER LABOR INCOME												
Idaho (Millions)	5,535	5,670	5,798	5,879	5,972	6,067	6,131	6,198	6,254	6,314	6,359	6,417
% Ch	*10.6%*	*10.1%*	*9.3%*	*5.7%*	*6.5%*	*6.5%*	*4.3%*	*4.4%*	*3.7%*	*3.9%*	*2.9%*	*3.7%*
National (Billions)	1,018	1,035	1,049	1,057	1,065	1,076	1,084	1,093	1,099	1,108	1,116	1,124
% Ch	*7.7%*	*6.9%*	*5.6%*	*3.1%*	*3.1%*	*3.9%*	*3.1%*	*3.3%*	*2.4%*	*3.3%*	*2.7%*	*2.9%*
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	6,290	6,331	6,395	6,496	6,644	6,741	6,841	6,947	7,111	7,232	7,346	7,464
% Ch	*12.8%*	*2.7%*	*4.1%*	*6.5%*	*9.4%*	*6.0%*	*6.1%*	*6.3%*	*9.8%*	*7.0%*	*6.4%*	*6.6%*
National (Billions)	1,582	1,610	1,627	1,647	1,679	1,699	1,720	1,743	1,778	1,804	1,828	1,853
% Ch	*10.1%*	*7.1%*	*4.4%*	*4.8%*	*8.2%*	*4.9%*	*5.0%*	*5.3%*	*8.4%*	*5.9%*	*5.5%*	*5.6%*
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	3,489	3,536	3,602	3,669	3,786	3,839	3,888	3,917	4,030	4,074	4,113	4,149
% Ch	*12.3%*	*5.4%*	*7.7%*	*7.6%*	*13.4%*	*5.7%*	*5.3%*	*3.0%*	*12.1%*	*4.4%*	*3.9%*	*3.6%*
National (Billions)	439	444	449	454	465	469	474	476	489	494	498	502
% Ch	*9.2%*	*4.6%*	*4.9%*	*4.5%*	*9.9%*	*3.2%*	*4.1%*	*2.3%*	*10.7%*	*4.1%*	*4.1%*	*3.2%*
RESIDENCE ADJUSTMENT												
Idaho (Millions)	667	665	672	679	688	695	700	706	714	720	725	732
% Ch	*8.9%*	*-1.3%*	*4.7%*	*4.0%*	*5.4%*	*4.2%*	*3.1%*	*3.3%*	*4.6%*	*3.4%*	*2.8%*	*3.5%*

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2006

IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2006

EMPLOYMENT

	2003 Q1	2003 Q2	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3	2004 Q4	2005 Q1	2005 Q2	2005 Q3	2005 Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	572,255	569,996	571,744	576,092	579,351	586,996	590,453	595,346	604,084	607,416	614,869	620,397
% Ch	*-0.2%*	*-1.6%*	*1.2%*	*3.1%*	*2.3%*	*5.4%*	*2.4%*	*3.4%*	*6.0%*	*2.2%*	*5.0%*	*3.6%*
National (Thousands)	130,102	129,842	129,838	130,190	130,572	131,277	131,602	132,244	132,694	133,230	133,750	134,161
% Ch	*-0.5%*	*-0.8%*	*0.0%*	*1.1%*	*1.2%*	*2.2%*	*1.0%*	*2.0%*	*1.4%*	*1.6%*	*1.6%*	*1.2%*
GOODS PRODUCING SECTOR												
Idaho	103,656	101,599	101,894	102,337	103,286	105,430	105,632	107,398	110,256	111,229	112,670	115,174
% Ch	*-6.9%*	*-7.7%*	*1.2%*	*1.7%*	*3.8%*	*8.6%*	*0.8%*	*6.9%*	*11.1%*	*3.6%*	*5.3%*	*9.2%*
National (Thousands)	22,036	21,827	21,697	21,683	21,727	21,858	21,932	22,000	22,039	22,126	22,140	22,242
% Ch	*-4.0%*	*-3.7%*	*-2.4%*	*-0.3%*	*0.8%*	*2.4%*	*1.4%*	*1.3%*	*0.7%*	*1.6%*	*0.2%*	*1.9%*
MANUFACTURING												
Idaho	65,341	63,731	63,364	63,005	63,078	63,845	63,578	64,232	64,780	64,838	64,975	65,598
% Ch	*-7.8%*	*-9.5%*	*-2.3%*	*-2.2%*	*0.5%*	*5.0%*	*-1.7%*	*4.2%*	*3.5%*	*0.4%*	*0.8%*	*3.9%*
National (Thousands)	14,858	14,623	14,442	14,383	14,354	14,399	14,403	14,374	14,338	14,311	14,271	14,273
% Ch	*-5.2%*	*-6.2%*	*-4.9%*	*-1.6%*	*-0.8%*	*1.3%*	*0.1%*	*-0.8%*	*-1.0%*	*-0.7%*	*-1.1%*	*0.0%*
DURABLE MANUFACTURING												
Idaho	41,050	39,662	39,460	39,621	39,911	40,732	40,659	40,902	41,569	42,016	42,191	42,698
% Ch	*-11.9%*	*-12.9%*	*-2.0%*	*1.6%*	*3.0%*	*8.5%*	*-0.7%*	*2.4%*	*6.7%*	*4.4%*	*1.7%*	*4.9%*
National (Thousands)	9,210	9,052	8,938	8,924	8,933	8,988	9,020	9,024	9,022	9,023	9,006	9,023
% Ch	*-6.2%*	*-6.7%*	*-4.9%*	*-0.6%*	*0.4%*	*2.5%*	*1.4%*	*0.2%*	*-0.1%*	*0.0%*	*-0.7%*	*0.7%*
LOGGING & WOOD PRODUCTS												
Idaho	9,325	8,892	8,896	9,076	9,216	9,389	9,318	9,276	9,447	9,656	9,630	9,771
% Ch	*-12.4%*	*-17.3%*	*0.2%*	*8.3%*	*6.3%*	*7.7%*	*-3.0%*	*-1.8%*	*7.5%*	*9.2%*	*-1.1%*	*6.0%*
National (Thousands)	611	607	602	609	611	618	619	623	625	618	616	618
% Ch	*-3.6%*	*-2.9%*	*-3.3%*	*5.2%*	*0.8%*	*4.7%*	*0.7%*	*2.9%*	*1.2%*	*-4.3%*	*-1.1%*	*0.7%*
METAL FABRICATION												
Idaho	3,611	3,532	3,476	3,529	3,578	3,640	3,680	3,647	3,780	3,804	3,919	4,121
% Ch	*-4.7%*	*-8.6%*	*-6.2%*	*6.4%*	*5.6%*	*7.2%*	*4.4%*	*-3.5%*	*15.4%*	*2.6%*	*12.7%*	*22.3%*
National (Thousands)	1,502	1,481	1,464	1,468	1,478	1,494	1,505	1,510	1,513	1,518	1,522	1,524
% Ch	*-6.1%*	*-5.5%*	*-4.4%*	*1.2%*	*2.6%*	*4.6%*	*2.8%*	*1.4%*	*0.9%*	*1.3%*	*0.9%*	*0.6%*
MACHINERY												
Idaho	2,698	2,655	2,600	2,577	2,551	2,575	2,575	2,577	2,602	2,577	2,597	2,648
% Ch	*-16.6%*	*-6.2%*	*-7.9%*	*-3.6%*	*-4.0%*	*3.8%*	*0.1%*	*0.3%*	*4.0%*	*-3.8%*	*3.1%*	*8.0%*
National (Thousands)	1,179	1,152	1,135	1,132	1,131	1,141	1,150	1,150	1,153	1,161	1,164	1,169
% Ch	*-6.7%*	*-8.6%*	*-5.9%*	*-1.0%*	*-0.5%*	*3.7%*	*3.4%*	*-0.1%*	*0.9%*	*2.7%*	*1.2%*	*1.5%*
COMPUTER & ELECTRONICS												
Idaho	16,821	16,112	16,204	16,041	16,152	16,449	16,231	16,293	16,361	16,382	16,063	15,912
% Ch	*-20.6%*	*-15.8%*	*2.3%*	*-4.0%*	*2.8%*	*7.6%*	*-5.2%*	*1.5%*	*1.7%*	*0.5%*	*-7.6%*	*-3.7%*
National (Thousands)	1,400	1,364	1,334	1,322	1,319	1,324	1,328	1,320	1,317	1,319	1,323	1,323
% Ch	*-11.7%*	*-9.9%*	*-8.4%*	*-3.5%*	*-1.0%*	*1.4%*	*1.4%*	*-2.4%*	*-1.0%*	*0.8%*	*1.2%*	*-0.2%*
OTHER DURABLES												
Idaho	8,595	8,472	8,284	8,399	8,415	8,679	8,855	9,108	9,380	9,597	9,982	10,246
% Ch	*7.8%*	*-5.6%*	*-8.6%*	*5.7%*	*0.7%*	*13.2%*	*8.4%*	*11.9%*	*12.5%*	*9.6%*	*17.0%*	*11.0%*
National (Thousands)	4,519	4,449	4,404	4,392	4,395	4,412	4,418	4,421	4,415	4,407	4,381	4,390
% Ch	*-4.7%*	*-6.1%*	*-4.0%*	*-1.1%*	*0.3%*	*1.5%*	*0.5%*	*0.3%*	*-0.6%*	*-0.7%*	*-2.3%*	*0.8%*

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Forecast Begins the SECOND Quarter of 2006

IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2006

EMPLOYMENT

	2006 Q1	2006 Q2	2006 Q3	2006 Q4	2007 Q1	2007 Q2	2007 Q3	2007 Q4	2008 Q1	2008 Q2	2008 Q3	2008 Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	630,368	636,909	642,085	647,141	651,715	656,131	660,523	664,557	668,383	672,043	675,302	678,823
% Ch	*6.6%*	*4.2%*	*3.3%*	*3.2%*	*2.9%*	*2.7%*	*2.7%*	*2.5%*	*2.3%*	*2.2%*	*2.0%*	*2.1%*
National (Thousands)	134,722	135,148	135,624	136,038	136,492	136,934	137,391	137,881	138,339	138,850	139,368	139,828
% Ch	*1.7%*	*1.3%*	*1.4%*	*1.2%*	*1.3%*	*1.3%*	*1.3%*	*1.4%*	*1.3%*	*1.5%*	*1.5%*	*1.3%*
GOODS PRODUCING SECTOR												
Idaho	119,393	120,182	120,894	121,223	121,262	120,848	120,555	120,260	119,918	119,526	119,097	118,660
% Ch	*15.5%*	*2.7%*	*2.4%*	*1.1%*	*0.1%*	*-1.4%*	*-1.0%*	*-1.0%*	*-1.1%*	*-1.3%*	*-1.4%*	*-1.5%*
National (Thousands)	22,363	22,421	22,455	22,441	22,498	22,424	22,392	22,391	22,356	22,325	22,317	22,289
% Ch	*2.2%*	*1.0%*	*0.6%*	*-0.3%*	*1.0%*	*-1.3%*	*-0.6%*	*0.0%*	*-0.6%*	*-0.6%*	*-0.1%*	*-0.5%*
MANUFACTURING												
Idaho	65,787	65,900	66,217	66,418	66,586	66,503	66,484	66,521	66,535	66,568	66,601	66,639
% Ch	*1.2%*	*0.7%*	*1.9%*	*1.2%*	*1.0%*	*-0.5%*	*-0.1%*	*0.2%*	*0.1%*	*0.2%*	*0.2%*	*0.2%*
National (Thousands)	14,288	14,296	14,311	14,294	14,338	14,280	14,263	14,238	14,196	14,150	14,114	14,077
% Ch	*0.4%*	*0.2%*	*0.4%*	*-0.5%*	*1.2%*	*-1.6%*	*-0.5%*	*-0.7%*	*-1.2%*	*-1.3%*	*-1.0%*	*-1.1%*
DURABLE MANUFACTURING												
Idaho	42,831	43,008	43,353	43,571	43,697	43,564	43,448	43,367	43,278	43,222	43,195	43,200
% Ch	*1.3%*	*1.7%*	*3.2%*	*2.0%*	*1.2%*	*-1.2%*	*-1.1%*	*-0.7%*	*-0.8%*	*-0.5%*	*-0.3%*	*0.0%*
National (Thousands)	9,046	9,072	9,098	9,086	9,118	9,064	9,051	9,032	8,999	8,967	8,950	8,931
% Ch	*1.0%*	*1.2%*	*1.1%*	*-0.5%*	*1.4%*	*-2.3%*	*-0.6%*	*-0.8%*	*-1.5%*	*-1.4%*	*-0.8%*	*-0.9%*
LOGGING & WOOD PRODUCTS												
Idaho	9,813	9,808	9,740	9,814	9,868	9,678	9,520	9,367	9,281	9,255	9,247	9,207
% Ch	*1.7%*	*-0.2%*	*-2.7%*	*3.1%*	*2.2%*	*-7.5%*	*-6.4%*	*-6.3%*	*-3.6%*	*-1.1%*	*-0.3%*	*-1.7%*
National (Thousands	621	620	617	614	610	597	586	578	572	568	565	561
% Ch	*2.5%*	*-0.6%*	*-2.3%*	*-2.0%*	*-2.6%*	*-8.1%*	*-7.1%*	*-5.4%*	*-4.0%*	*-2.7%*	*-2.3%*	*-2.8%*
METAL FABRICATION												
Idaho	4,258	4,366	4,413	4,431	4,443	4,453	4,462	4,476	4,495	4,516	4,536	4,555
% Ch	*14.0%*	*10.6%*	*4.4%*	*1.6%*	*1.1%*	*0.9%*	*0.9%*	*1.3%*	*1.7%*	*1.9%*	*1.8%*	*1.7%*
National (Thousands	1,531	1,539	1,552	1,571	1,597	1,602	1,612	1,617	1,619	1,623	1,628	1,632
% Ch	*1.9%*	*2.1%*	*3.4%*	*4.8%*	*6.9%*	*1.2%*	*2.5%*	*1.3%*	*0.6%*	*0.9%*	*1.4%*	*1.0%*
MACHINERY												
Idaho	2,649	2,636	2,670	2,683	2,692	2,693	2,693	2,689	2,669	2,628	2,593	2,574
% Ch	*0.2%*	*-1.9%*	*5.3%*	*1.9%*	*1.4%*	*0.1%*	*0.0%*	*-0.6%*	*-3.0%*	*-6.0%*	*-5.1%*	*-3.0%*
National (Thousands	1,168	1,176	1,188	1,196	1,212	1,208	1,212	1,210	1,199	1,183	1,170	1,162
% Ch	*-0.3%*	*3.0%*	*4.1%*	*2.6%*	*5.5%*	*-1.3%*	*1.1%*	*-0.6%*	*-3.4%*	*-5.5%*	*-4.1%*	*-2.8%*
COMPUTER & ELECTRONICS												
Idaho	15,831	15,818	16,039	16,142	16,181	16,198	16,183	16,173	16,157	16,121	16,082	16,090
% Ch	*-2.0%*	*-0.3%*	*5.7%*	*2.6%*	*1.0%*	*0.4%*	*-0.4%*	*-0.2%*	*-0.4%*	*-0.9%*	*-1.0%*	*0.2%*
National (Thousands	1,320	1,322	1,319	1,287	1,266	1,250	1,241	1,231	1,221	1,210	1,202	1,194
% Ch	*-0.7%*	*0.5%*	*-1.1%*	*-9.1%*	*-6.5%*	*-4.9%*	*-2.9%*	*-3.3%*	*-3.2%*	*-3.4%*	*-2.5%*	*-2.8%*
OTHER DURABLES												
Idaho	10,280	10,379	10,490	10,501	10,512	10,543	10,590	10,662	10,676	10,702	10,736	10,775
% Ch	*1.4%*	*3.9%*	*4.3%*	*0.4%*	*0.4%*	*1.2%*	*1.8%*	*2.7%*	*0.5%*	*1.0%*	*1.3%*	*1.4%*
National (Thousands	4,405	4,414	4,422	4,419	4,433	4,407	4,401	4,397	4,388	4,384	4,384	4,382
% Ch	*1.4%*	*0.9%*	*0.7%*	*-0.3%*	*1.3%*	*-2.3%*	*-0.5%*	*-0.4%*	*-0.8%*	*-0.4%*	*0.1%*	*-0.2%*

EMPLOYMENT

MANUFACTURING (continued)

	2003 Q1	2003 Q2	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3	2004 Q4	2005 Q1	2005 Q2	2005 Q3	2005 Q4
NONDURABLE MANUFACTURING												
Idaho	24,292	24,069	23,905	23,384	23,167	23,113	22,918	23,330	23,212	22,822	22,783	22,901
% Ch	*-0.2%*	*-3.6%*	*-2.7%*	*-8.4%*	*-3.7%*	*-0.9%*	*-3.3%*	*7.4%*	*-2.0%*	*-6.6%*	*-0.7%*	*2.1%*
National (Thousands)	5,648	5,571	5,503	5,458	5,421	5,410	5,384	5,350	5,316	5,288	5,265	5,250
% Ch	*-3.5%*	*-5.3%*	*-4.8%*	*-3.2%*	*-2.7%*	*-0.8%*	*-2.0%*	*-2.5%*	*-2.5%*	*-2.1%*	*-1.7%*	*-1.1%*
FOOD PROCESSING												
Idaho	16,129	15,985	15,952	15,535	15,170	15,024	14,752	15,049	14,964	14,662	14,627	14,602
% Ch	*-2.7%*	*-3.5%*	*-0.8%*	*-10.1%*	*-9.1%*	*-3.8%*	*-7.0%*	*8.3%*	*-2.3%*	*-7.8%*	*-1.0%*	*-0.7%*
National (Thousands)	1,522	1,515	1,517	1,512	1,498	1,497	1,494	1,488	1,483	1,476	1,468	1,463
% Ch	*0.5%*	*-1.9%*	*0.5%*	*-1.2%*	*-3.7%*	*-0.3%*	*-0.8%*	*-1.6%*	*-1.3%*	*-2.0%*	*-2.0%*	*-1.4%*
PRINTING												
Idaho	2,112	2,086	1,990	1,931	1,910	1,910	1,942	1,923	1,910	1,891	1,896	1,902
% Ch	*13.6%*	*-4.8%*	*-17.1%*	*-11.5%*	*-4.2%*	*0.0%*	*6.9%*	*-3.9%*	*-2.7%*	*-4.0%*	*1.1%*	*1.3%*
National (Thousands)	686	683	679	673	668	665	661	656	652	650	646	645
% Ch	*-2.1%*	*-2.2%*	*-2.2%*	*-3.3%*	*-3.2%*	*-1.5%*	*-2.4%*	*-3.2%*	*-2.4%*	*-1.4%*	*-2.1%*	*-0.9%*
CHEMICALS												
Idaho	1,852	1,824	1,830	1,818	1,839	1,880	1,896	1,894	1,946	1,925	1,947	1,930
% Ch	*-10.3%*	*-5.8%*	*1.3%*	*-2.6%*	*4.8%*	*9.2%*	*3.6%*	*-0.5%*	*11.3%*	*-4.2%*	*4.6%*	*-3.4%*
National (Thousands)	920	909	902	893	890	890	886	882	877	878	879	882
% Ch	*-0.5%*	*-4.4%*	*-3.1%*	*-4.1%*	*-1.2%*	*-0.2%*	*-1.7%*	*-1.7%*	*-2.1%*	*0.4%*	*0.5%*	*1.0%*
OTHER NONDURABLES												
Idaho	4,200	4,174	4,133	4,101	4,248	4,299	4,328	4,463	4,392	4,345	4,314	4,467
% Ch	*8.5%*	*-2.4%*	*-3.9%*	*-3.0%*	*15.1%*	*4.9%*	*2.7%*	*13.1%*	*-6.2%*	*-4.3%*	*-2.8%*	*14.9%*
National (Thousands)	2,520	2,464	2,406	2,380	2,365	2,358	2,342	2,324	2,303	2,284	2,271	2,261
% Ch	*-7.1%*	*-8.5%*	*-9.2%*	*-4.2%*	*-2.6%*	*-1.1%*	*-2.7%*	*-3.2%*	*-3.5%*	*-3.2%*	*-2.3%*	*-1.9%*
MINING												
Idaho	1,754	1,772	1,819	1,792	1,820	1,932	1,973	1,998	2,042	2,135	2,213	2,250
% Ch	*-0.8%*	*4.3%*	*11.0%*	*-5.9%*	*6.5%*	*26.8%*	*8.9%*	*5.0%*	*9.2%*	*19.5%*	*15.4%*	*6.9%*
National (Thousands)	503	500	502	506	511	521	528	531	543	557	564	578
% Ch	*-2.3%*	*-2.3%*	*1.3%*	*2.8%*	*4.1%*	*8.4%*	*5.8%*	*2.3%*	*8.9%*	*10.6%*	*5.0%*	*10.9%*
CONSTRUCTION												
Idaho	36,561	36,096	36,711	37,540	38,388	39,653	40,081	41,169	43,434	44,256	45,482	47,325
% Ch	*-5.7%*	*-5.0%*	*7.0%*	*9.3%*	*9.3%*	*13.8%*	*4.4%*	*11.3%*	*23.9%*	*7.8%*	*11.6%*	*17.2%*
National (Thousands)	6,675	6,704	6,754	6,795	6,863	6,939	7,000	7,095	7,158	7,258	7,305	7,391
% Ch	*-1.3%*	*1.7%*	*3.0%*	*2.5%*	*4.1%*	*4.5%*	*3.6%*	*5.5%*	*3.6%*	*5.7%*	*2.6%*	*4.8%*
NONGOODS PRODUCING												
Idaho	468,599	468,397	469,850	473,755	476,065	481,567	484,821	487,948	493,828	496,187	502,199	505,224
% Ch	*1.3%*	*-0.2%*	*1.2%*	*3.4%*	*2.0%*	*4.7%*	*2.7%*	*2.6%*	*4.9%*	*1.9%*	*4.9%*	*2.4%*
National (Thousands)	108,066	108,015	108,141	108,507	108,844	109,419	109,670	110,243	110,656	111,104	111,610	111,920
% Ch	*0.2%*	*-0.2%*	*0.5%*	*1.4%*	*1.2%*	*2.1%*	*0.9%*	*2.1%*	*1.5%*	*1.6%*	*1.8%*	*1.1%*
SERVICES												
Idaho	258,435	258,484	260,465	262,692	264,667	268,513	270,177	272,711	276,869	278,819	282,331	284,945
% Ch	*1.9%*	*0.1%*	*3.1%*	*3.5%*	*3.0%*	*5.9%*	*2.5%*	*3.8%*	*6.2%*	*2.8%*	*5.1%*	*3.8%*
National (Thousands)	65,884	65,914	66,084	66,415	66,676	67,115	67,313	67,709	68,019	68,341	68,711	68,987
% Ch	*0.4%*	*0.2%*	*1.0%*	*2.0%*	*1.6%*	*2.7%*	*1.2%*	*2.4%*	*1.8%*	*1.9%*	*2.2%*	*1.6%*
INFORMATION												
Idaho	9,189	9,165	9,104	9,272	9,385	9,686	10,233	10,444	10,867	10,997	11,057	11,368
% Ch	*1.3%*	*-1.0%*	*-2.7%*	*7.6%*	*4.9%*	*13.5%*	*24.6%*	*8.5%*	*17.2%*	*4.9%*	*2.2%*	*11.7%*
National (Thousands)	3,240	3,195	3,167	3,151	3,140	3,135	3,107	3,087	3,066	3,066	3,066	3,063
% Ch	*-9.2%*	*-5.4%*	*-3.5%*	*-2.0%*	*-1.3%*	*-0.7%*	*-3.5%*	*-2.6%*	*-2.7%*	*0.0%*	*-0.1%*	*-0.4%*
FINANCIAL ACTIVITIES												
Idaho	26,542	26,858	27,135	27,243	27,476	27,804	27,956	28,512	28,865	29,199	29,938	30,612
% Ch	*6.2%*	*4.9%*	*4.2%*	*1.6%*	*3.5%*	*4.9%*	*2.2%*	*8.2%*	*5.0%*	*4.7%*	*10.5%*	*9.3%*
National (Thousands)	7,928	7,982	8,004	7,988	7,989	8,029	8,040	8,062	8,095	8,105	8,154	8,214
% Ch	*1.9%*	*2.7%*	*1.1%*	*-0.8%*	*0.0%*	*2.0%*	*0.6%*	*1.1%*	*1.6%*	*0.5%*	*2.5%*	*2.9%*

IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2006

EMPLOYMENT

MANUFACTURING (continued)

	2006				2007				2008			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
NONDURABLE MANUFACTURING												
Idaho	22,956	22,892	22,864	22,847	22,889	22,939	23,036	23,154	23,257	23,345	23,406	23,439
% Ch	*1.0%*	*-1.1%*	*-0.5%*	*-0.3%*	*0.8%*	*0.9%*	*1.7%*	*2.1%*	*1.8%*	*1.5%*	*1.0%*	*0.6%*
National (Thousands)	5,243	5,224	5,213	5,207	5,220	5,216	5,212	5,206	5,197	5,182	5,164	5,146
% Ch	*-0.6%*	*-1.4%*	*-0.8%*	*-0.5%*	*1.0%*	*-0.3%*	*-0.3%*	*-0.5%*	*-0.7%*	*-1.1%*	*-1.4%*	*-1.4%*
FOOD PROCESSING												
Idaho	14,779	14,717	14,679	14,641	14,662	14,720	14,821	14,945	15,044	15,123	15,173	15,194
% Ch	*5.0%*	*-1.7%*	*-1.0%*	*-1.0%*	*0.6%*	*1.6%*	*2.8%*	*3.4%*	*2.7%*	*2.1%*	*1.3%*	*0.6%*
National (Thousands	1,462	1,462	1,460	1,464	1,477	1,486	1,495	1,504	1,511	1,514	1,516	1,518
% Ch	*-0.3%*	*-0.1%*	*-0.4%*	*0.9%*	*3.7%*	*2.3%*	*2.4%*	*2.4%*	*2.0%*	*1.0%*	*0.4%*	*0.5%*
PRINTING												
Idaho	1,896	1,893	1,890	1,887	1,877	1,862	1,849	1,838	1,834	1,835	1,838	1,839
% Ch	*-1.4%*	*-0.5%*	*-0.8%*	*-0.6%*	*-2.0%*	*-3.3%*	*-2.7%*	*-2.3%*	*-0.9%*	*0.2%*	*0.5%*	*0.4%*
National (Thousands	644	642	642	644	648	651	651	649	648	645	643	641
% Ch	*-0.5%*	*-0.9%*	*-0.4%*	*1.5%*	*2.8%*	*1.6%*	*0.0%*	*-1.1%*	*-1.1%*	*-1.4%*	*-1.3%*	*-1.3%*
CHEMICALS												
Idaho	2,017	2,016	2,012	2,008	2,011	1,994	1,976	1,957	1,938	1,919	1,900	1,883
% Ch	*19.4%*	*-0.3%*	*-0.7%*	*-0.9%*	*0.6%*	*-3.2%*	*-3.6%*	*-3.7%*	*-3.8%*	*-3.9%*	*-3.9%*	*-3.6%*
National (Thousands	886	887	889	889	888	884	881	880	878	876	873	870
% Ch	*2.2%*	*0.4%*	*1.0%*	*-0.3%*	*-0.2%*	*-1.7%*	*-1.3%*	*-0.5%*	*-0.8%*	*-1.2%*	*-1.4%*	*-1.3%*
OTHER NONDURABLES												
Idaho	4,264	4,266	4,283	4,311	4,339	4,363	4,390	4,413	4,440	4,468	4,495	4,523
% Ch	*-17.0%*	*0.2%*	*1.6%*	*2.7%*	*2.7%*	*2.2%*	*2.5%*	*2.2%*	*2.5%*	*2.5%*	*2.5%*	*2.5%*
National (Thousands	2,250	2,233	2,222	2,211	2,206	2,195	2,185	2,173	2,160	2,147	2,132	2,117
% Ch	*-1.8%*	*-3.1%*	*-2.0%*	*-2.0%*	*-0.8%*	*-2.1%*	*-1.8%*	*-2.2%*	*-2.4%*	*-2.5%*	*-2.7%*	*-2.8%*
MINING												
Idaho	2,383	2,539	2,595	2,626	2,650	2,571	2,525	2,483	2,434	2,380	2,322	2,257
% Ch	*25.7%*	*28.9%*	*9.0%*	*4.9%*	*3.7%*	*-11.3%*	*-7.0%*	*-6.4%*	*-7.8%*	*-8.6%*	*-9.4%*	*-10.7%*
National (Thousands)	591	612	623	626	631	631	636	644	644	640	632	625
% Ch	*9.3%*	*14.5%*	*7.8%*	*2.0%*	*2.8%*	*0.5%*	*2.7%*	*5.7%*	*-0.1%*	*-2.4%*	*-5.0%*	*-4.5%*
CONSTRUCTION												
Idaho	51,223	51,743	52,083	52,179	52,027	51,774	51,545	51,255	50,949	50,578	50,174	49,764
% Ch	*37.3%*	*4.1%*	*2.6%*	*0.7%*	*-1.2%*	*-1.9%*	*-1.8%*	*-2.2%*	*-2.4%*	*-2.9%*	*-3.2%*	*-3.2%*
National (Thousands)	7,483	7,512	7,521	7,521	7,530	7,513	7,494	7,508	7,516	7,535	7,570	7,587
% Ch	*5.1%*	*1.6%*	*0.4%*	*0.0%*	*0.5%*	*-0.9%*	*-1.0%*	*0.8%*	*0.5%*	*1.0%*	*1.9%*	*0.9%*
NONGOODS PRODUCING												
Idaho	510,975	516,727	521,191	525,918	530,453	535,284	539,969	544,298	548,466	552,518	556,205	560,163
% Ch	*4.6%*	*4.6%*	*3.5%*	*3.7%*	*3.5%*	*3.7%*	*3.5%*	*3.2%*	*3.1%*	*3.0%*	*2.7%*	*2.9%*
National (Thousands)	112,358	112,727	113,169	113,598	113,994	114,510	114,999	115,490	115,982	116,525	117,051	117,539
% Ch	*1.6%*	*1.3%*	*1.6%*	*1.5%*	*1.4%*	*1.8%*	*1.7%*	*1.7%*	*1.7%*	*1.9%*	*1.8%*	*1.7%*
SERVICES												
Idaho	288,484	292,564	295,960	299,353	302,421	305,524	308,461	311,300	314,087	316,829	319,329	322,056
% Ch	*5.1%*	*5.8%*	*4.7%*	*4.7%*	*4.2%*	*4.2%*	*3.9%*	*3.7%*	*3.6%*	*3.5%*	*3.2%*	*3.5%*
National (Thousands)	69,374	69,712	70,044	70,353	70,642	70,989	71,348	71,702	72,094	72,489	72,866	73,221
% Ch	*2.3%*	*2.0%*	*1.9%*	*1.8%*	*1.7%*	*2.0%*	*2.0%*	*2.0%*	*2.2%*	*2.2%*	*2.1%*	*2.0%*
INFORMATION												
Idaho	11,419	11,415	11,439	11,476	11,519	11,581	11,644	11,709	11,775	11,841	11,909	11,977
% Ch	*1.8%*	*-0.1%*	*0.9%*	*1.3%*	*1.5%*	*2.2%*	*2.2%*	*2.2%*	*2.3%*	*2.3%*	*2.3%*	*2.3%*
National (Thousands)	3,070	3,058	3,055	3,071	3,085	3,113	3,129	3,119	3,103	3,112	3,119	3,132
% Ch	*1.0%*	*-1.6%*	*-0.4%*	*2.1%*	*1.9%*	*3.7%*	*2.0%*	*-1.2%*	*-2.1%*	*1.2%*	*1.0%*	*1.6%*
FINANCIAL ACTIVITIES												
Idaho	31,057	31,517	32,028	32,438	32,792	33,139	33,483	33,822	34,155	34,482	34,801	35,115
% Ch	*5.9%*	*6.1%*	*6.6%*	*5.2%*	*4.4%*	*4.3%*	*4.2%*	*4.1%*	*4.0%*	*3.9%*	*3.8%*	*3.7%*
National (Thousands)	8,265	8,323	8,360	8,341	8,328	8,356	8,355	8,374	8,416	8,437	8,458	8,469
% Ch	*2.5%*	*2.9%*	*1.8%*	*-0.9%*	*-0.6%*	*1.3%*	*0.0%*	*0.9%*	*2.0%*	*1.0%*	*1.0%*	*0.5%*

EMPLOYMENT

SERVICES (Continued)

	2003				2004				2005			
	Q1	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**
TRANS., WAREHOUSING, UTILITIES												
Idaho	18,999	18,599	18,719	18,730	18,917	19,085	18,874	18,900	18,969	19,162	19,457	19,578
% Ch	*5.1%*	*-8.2%*	*2.6%*	*0.2%*	*4.1%*	*3.6%*	*-4.4%*	*0.5%*	*1.5%*	*4.1%*	*6.3%*	*2.5%*
National (Thousands)	4,793	4,756	4,742	4,759	4,778	4,798	4,824	4,845	4,876	4,902	4,913	4,926
% Ch	*-2.1%*	*-3.0%*	*-1.2%*	*1.4%*	*1.6%*	*1.7%*	*2.1%*	*1.7%*	*2.6%*	*2.1%*	*0.9%*	*1.1%*
PROFESSIONAL & BUSINESS												
Idaho	70,023	69,617	69,772	70,586	71,371	73,062	73,726	74,388	75,834	76,544	77,435	77,790
% Ch	*-2.3%*	*-2.3%*	*0.9%*	*4.8%*	*4.5%*	*9.8%*	*3.7%*	*3.6%*	*8.0%*	*3.8%*	*4.7%*	*1.8%*
National (Thousands)	15,917	15,916	15,999	16,104	16,165	16,361	16,445	16,594	16,698	16,806	16,942	17,058
% Ch	*-0.1%*	*0.0%*	*2.1%*	*2.7%*	*1.5%*	*4.9%*	*2.1%*	*3.7%*	*2.5%*	*2.6%*	*3.3%*	*2.8%*
EDUCATION & HEALTH												
Idaho	61,504	62,168	63,011	63,532	63,910	65,048	65,606	66,309	67,368	67,743	68,326	68,516
% Ch	*5.2%*	*4.4%*	*5.5%*	*3.4%*	*2.4%*	*7.3%*	*3.5%*	*4.4%*	*6.5%*	*2.2%*	*3.5%*	*1.1%*
National (Thousands)	16,464	16,569	16,603	16,715	16,804	16,911	16,986	17,106	17,192	17,288	17,411	17,476
% Ch	*2.4%*	*2.6%*	*0.8%*	*2.7%*	*2.1%*	*2.6%*	*1.8%*	*2.9%*	*2.0%*	*2.3%*	*2.9%*	*1.5%*
LEISURE & HOSPITALITY												
Idaho	54,069	54,001	54,541	55,027	55,487	55,511	55,449	55,849	56,624	56,795	57,587	58,435
% Ch	*0.6%*	*-0.5%*	*4.1%*	*3.6%*	*3.4%*	*0.2%*	*-0.4%*	*2.9%*	*5.7%*	*1.2%*	*5.7%*	*6.0%*
National (Thousands)	12,141	12,097	12,172	12,296	12,390	12,460	12,504	12,618	12,699	12,783	12,840	12,873
% Ch	*1.4%*	*-1.5%*	*2.5%*	*4.1%*	*3.1%*	*2.3%*	*1.4%*	*3.7%*	*2.6%*	*2.7%*	*1.8%*	*1.0%*
OTHER SERVICES												
Idaho	18,111	18,075	18,183	18,303	18,122	18,317	18,334	18,309	18,343	18,380	18,532	18,647
% Ch	*3.0%*	*-0.8%*	*2.4%*	*2.6%*	*-3.9%*	*4.4%*	*0.4%*	*-0.5%*	*0.7%*	*0.8%*	*3.3%*	*2.5%*
National (Thousands)	5,401	5,399	5,399	5,402	5,410	5,422	5,408	5,397	5,394	5,391	5,386	5,378
% Ch	*0.2%*	*-0.1%*	*0.0%*	*0.3%*	*0.6%*	*0.9%*	*-1.0%*	*-0.8%*	*-0.2%*	*-0.2%*	*-0.3%*	*-0.6%*
TRADE												
Idaho	97,418	96,976	96,574	97,495	97,820	98,956	99,489	100,236	101,942	102,787	104,614	105,336
% Ch	*0.8%*	*-1.8%*	*-1.6%*	*3.9%*	*1.3%*	*4.7%*	*2.2%*	*3.0%*	*7.0%*	*3.4%*	*7.3%*	*2.8%*
National (Thousands)	20,558	20,516	20,494	20,536	20,613	20,709	20,735	20,824	20,902	20,987	21,056	21,062
% Ch	*-1.1%*	*-0.8%*	*-0.4%*	*0.8%*	*1.5%*	*1.9%*	*0.5%*	*1.7%*	*1.5%*	*1.6%*	*1.3%*	*0.1%*
RETAIL TRADE												
Idaho	72,759	72,252	72,431	73,028	72,933	73,808	73,695	74,425	75,603	76,225	77,439	77,894
% Ch	*3.0%*	*-2.8%*	*1.0%*	*3.3%*	*-0.5%*	*4.9%*	*-0.6%*	*4.0%*	*6.5%*	*3.3%*	*6.5%*	*2.4%*
National (Thousands)	*14,929*	*14,900*	*14,902*	*14,939*	*14,989*	*15,056*	*15,063*	*15,128*	*15,189*	*15,246*	*15,297*	*15,284*
% Ch	*-1.3%*	*-0.8%*	*0.1%*	*1.0%*	*1.3%*	*1.8%*	*0.2%*	*1.7%*	*1.6%*	*1.5%*	*1.3%*	*-0.3%*
WHOLESALE TRADE												
Idaho	24,658	24,724	24,142	24,467	24,887	25,148	25,794	25,812	26,340	26,562	27,175	27,443
% Ch	*-5.3%*	*1.1%*	*-9.1%*	*5.5%*	*7.0%*	*4.3%*	*10.7%*	*0.3%*	*8.4%*	*3.4%*	*9.6%*	*4.0%*
National (Thousands)	*5,630*	*5,616*	*5,592*	*5,597*	*5,625*	*5,653*	*5,672*	*5,696*	*5,714*	*5,740*	*5,759*	*5,778*
% Ch	*-0.5%*	*-1.0%*	*-1.7%*	*0.4%*	*2.0%*	*2.0%*	*1.4%*	*1.7%*	*1.2%*	*1.9%*	*1.3%*	*1.3%*
STATE & LOCAL GOVERNMENT												
Idaho	98,976	99,244	99,163	100,189	100,323	100,812	101,699	101,754	101,766	101,474	102,362	101,876
% Ch	*1.1%*	*1.1%*	*-0.3%*	*4.2%*	*0.5%*	*2.0%*	*3.6%*	*0.2%*	*0.0%*	*-1.1%*	*3.5%*	*-1.9%*
National (Thousands)	18,835	18,819	18,807	18,821	18,826	18,859	18,892	18,980	19,008	19,049	19,117	19,148
% Ch	*0.7%*	*-0.3%*	*-0.3%*	*0.3%*	*0.1%*	*0.7%*	*0.7%*	*1.9%*	*0.6%*	*0.9%*	*1.4%*	*0.7%*
EDUCATION												
Idaho	49,862	49,879	49,317	50,576	50,353	50,519	51,325	51,074	51,293	51,055	51,846	51,039
% Ch	*2.2%*	*0.1%*	*-4.4%*	*10.6%*	*-1.8%*	*1.3%*	*6.5%*	*-1.9%*	*1.7%*	*-1.8%*	*6.3%*	*-6.1%*
NONEDUCATION												
Idaho	49,113	49,365	49,846	49,613	49,969	50,292	50,374	50,680	50,473	50,419	50,515	50,837
% Ch	*0.0%*	*2.1%*	*3.9%*	*-1.9%*	*2.9%*	*2.6%*	*0.6%*	*2.4%*	*-1.6%*	*-0.4%*	*0.8%*	*2.6%*
FEDERAL GOVERNMENT												
Idaho	13,770	13,694	13,648	13,379	13,254	13,286	13,456	13,247	13,251	13,107	12,891	13,067
% Ch	*-4.2%*	*-2.2%*	*-1.3%*	*-7.6%*	*-3.7%*	*1.0%*	*5.2%*	*-6.1%*	*0.1%*	*-4.3%*	*-6.4%*	*5.5%*
National (Thousands)	2,789	2,765	2,756	2,736	2,729	2,735	2,730	2,730	2,726	2,727	2,725	2,722
% Ch	*1.1%*	*-3.4%*	*-1.3%*	*-2.9%*	*-1.0%*	*0.9%*	*-0.7%*	*0.0%*	*-0.6%*	*0.1%*	*-0.2%*	*-0.5%*

IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2006

EMPLOYMENT

SERVICES (Continued)	2006				2007				2008			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TRANS., WAREHOUSING, UTILITIES												
Idaho	19,668	19,905	19,896	20,013	20,187	20,402	20,625	20,791	20,797	20,793	20,785	20,791
% Ch	*1.8%*	*4.9%*	*-0.2%*	*2.4%*	*3.5%*	*4.3%*	*4.4%*	*3.3%*	*0.1%*	*-0.1%*	*-0.2%*	*0.1%*
National (Thousands)	4,944	4,957	4,960	4,990	5,011	5,032	5,047	5,081	5,112	5,136	5,167	5,200
% Ch	*1.4%*	*1.1%*	*0.2%*	*2.4%*	*1.8%*	*1.7%*	*1.2%*	*2.8%*	*2.4%*	*1.9%*	*2.4%*	*2.6%*
PROFESSIONAL & BUSINESS												
Idaho	79,311	80,928	82,175	83,328	84,439	85,537	86,512	87,531	88,569	89,610	90,541	91,563
% Ch	*8.1%*	*8.4%*	*6.3%*	*5.7%*	*5.4%*	*5.3%*	*4.6%*	*4.8%*	*4.8%*	*4.8%*	*4.2%*	*4.6%*
National (Thousands)	17,161	17,254	17,388	17,573	17,698	17,849	18,011	18,182	18,356	18,544	18,737	18,910
% Ch	*2.4%*	*2.2%*	*3.1%*	*4.3%*	*2.9%*	*3.5%*	*3.7%*	*3.9%*	*3.9%*	*4.2%*	*4.2%*	*3.7%*
EDUCATION & HEALTH												
Idaho	68,787	69,769	70,391	71,059	71,719	72,358	72,947	73,513	74,121	74,727	75,272	75,893
% Ch	*1.6%*	*5.8%*	*3.6%*	*3.9%*	*3.8%*	*3.6%*	*3.3%*	*3.1%*	*3.4%*	*3.3%*	*3.0%*	*3.3%*
National (Thousands)	17,584	17,702	17,813	17,886	17,959	17,976	18,068	18,150	18,225	18,299	18,397	18,462
% Ch	*2.5%*	*2.7%*	*2.5%*	*1.6%*	*1.6%*	*0.4%*	*2.1%*	*1.8%*	*1.7%*	*1.6%*	*2.2%*	*1.4%*
LEISURE & HOSPITALITY												
Idaho	59,314	60,065	60,985	61,888	62,456	63,002	63,545	64,037	64,596	65,132	65,611	66,128
% Ch	*6.2%*	*5.2%*	*6.3%*	*6.1%*	*3.7%*	*3.5%*	*3.5%*	*3.1%*	*3.5%*	*3.4%*	*3.0%*	*3.2%*
National (Thousands)	12,954	13,006	13,050	13,090	13,148	13,220	13,283	13,324	13,397	13,469	13,490	13,545
% Ch	*2.6%*	*1.6%*	*1.4%*	*1.2%*	*1.8%*	*2.2%*	*1.9%*	*1.2%*	*2.2%*	*2.2%*	*0.6%*	*1.6%*
OTHER SERVICES												
Idaho	18,929	18,965	19,045	19,151	19,310	19,505	19,705	19,897	20,075	20,245	20,411	20,591
% Ch	*6.2%*	*0.7%*	*1.7%*	*2.2%*	*3.4%*	*4.1%*	*4.2%*	*3.9%*	*3.6%*	*3.4%*	*3.3%*	*3.6%*
National (Thousands)	5,397	5,411	5,418	5,402	5,413	5,443	5,456	5,472	5,484	5,492	5,497	5,501
% Ch	*1.4%*	*1.0%*	*0.5%*	*-1.1%*	*0.8%*	*2.3%*	*0.9%*	*1.2%*	*0.9%*	*0.6%*	*0.4%*	*0.3%*
TRADE												
Idaho	106,323	107,536	108,243	109,180	110,381	111,764	113,178	114,347	115,300	116,210	117,103	118,060
% Ch	*3.8%*	*4.6%*	*2.7%*	*3.5%*	*4.5%*	*5.1%*	*5.2%*	*4.2%*	*3.4%*	*3.2%*	*3.1%*	*3.3%*
National (Thousands)	21,111	21,100	21,152	21,204	21,238	21,300	21,383	21,483	21,569	21,635	21,695	21,756
% Ch	*0.9%*	*-0.2%*	*1.0%*	*1.0%*	*0.7%*	*1.2%*	*1.6%*	*1.9%*	*1.6%*	*1.2%*	*1.1%*	*1.1%*
RETAIL TRADE												
Idaho	78,663	79,623	80,199	80,874	81,753	82,771	83,813	84,669	85,473	86,245	87,004	87,812
% Ch	*4.0%*	*5.0%*	*2.9%*	*3.4%*	*4.4%*	*5.1%*	*5.1%*	*4.1%*	*3.9%*	*3.7%*	*3.6%*	*3.8%*
National (Thousands)	*15,299*	*15,251*	*15,273*	*15,313*	*15,333*	*15,397*	*15,473*	*15,550*	*15,625*	*15,692*	*15,741*	*15,794*
% Ch	*0.4%*	*-1.2%*	*0.6%*	*1.1%*	*0.5%*	*1.7%*	*2.0%*	*2.0%*	*1.9%*	*1.7%*	*1.3%*	*1.3%*
WHOLESALE TRADE												
Idaho	27,660	27,912	28,044	28,306	28,628	28,993	29,365	29,679	29,827	29,965	30,099	30,248
% Ch	*3.2%*	*3.7%*	*1.9%*	*3.8%*	*4.6%*	*5.2%*	*5.2%*	*4.3%*	*2.0%*	*1.9%*	*1.8%*	*2.0%*
National (Thousands)	*5,812*	*5,849*	*5,879*	*5,891*	*5,905*	*5,902*	*5,911*	*5,933*	*5,944*	*5,944*	*5,954*	*5,962*
% Ch	*2.4%*	*2.6%*	*2.1%*	*0.8%*	*1.0%*	*-0.2%*	*0.6%*	*1.5%*	*0.7%*	*0.0%*	*0.7%*	*0.6%*
STATE & LOCAL GOVERNMENT												
Idaho	103,166	103,626	103,954	104,331	104,583	104,913	105,233	105,543	105,955	106,342	106,627	106,891
% Ch	*5.2%*	*1.8%*	*1.3%*	*1.5%*	*1.0%*	*1.3%*	*1.2%*	*1.2%*	*1.6%*	*1.5%*	*1.1%*	*1.0%*
National (Thousands)	19,167	19,214	19,269	19,338	19,410	19,517	19,563	19,600	19,614	19,695	19,784	19,855
% Ch	*0.4%*	*1.0%*	*1.1%*	*1.4%*	*1.5%*	*2.2%*	*0.9%*	*0.8%*	*0.3%*	*1.7%*	*1.8%*	*1.5%*
EDUCATION												
Idaho	51,727	52,072	52,283	52,561	52,785	53,059	53,299	53,529	53,797	54,050	54,217	54,364
% Ch	*5.5%*	*2.7%*	*1.6%*	*2.1%*	*1.7%*	*2.1%*	*1.8%*	*1.7%*	*2.0%*	*1.9%*	*1.2%*	*1.1%*
NONEDUCATION												
Idaho	51,438	51,555	51,671	51,770	51,798	51,854	51,935	52,014	52,159	52,293	52,410	52,528
% Ch	*4.8%*	*0.9%*	*0.9%*	*0.8%*	*0.2%*	*0.4%*	*0.6%*	*0.6%*	*1.1%*	*1.0%*	*0.9%*	*0.9%*
FEDERAL GOVERNMENT												
Idaho	13,002	13,001	13,034	13,054	13,068	13,082	13,097	13,107	13,123	13,137	13,146	13,157
% Ch	*-1.9%*	*0.0%*	*1.0%*	*0.6%*	*0.4%*	*0.5%*	*0.4%*	*0.3%*	*0.5%*	*0.4%*	*0.3%*	*0.3%*
National (Thousands)	2,706	2,702	2,704	2,704	2,704	2,704	2,705	2,705	2,705	2,706	2,706	2,707
% Ch	*-2.3%*	*-0.6%*	*0.3%*	*0.0%*	*0.0%*	*0.1%*	*0.1%*	*0.1%*	*0.1%*	*0.1%*	*0.1%*	*0.1%*

IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2006

MISCELLANEOUS

	2003 Q1	2003 Q2	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3	2004 Q4	2005 Q1	2005 Q2	2005 Q3	2005 Q4
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	105.724	106.019	106.500	106.996	107.951	108.976	109.371	110.111	110.950	111.655	112.567	113.532
% Ch	*3.1%*	*1.1%*	*1.8%*	*1.9%*	*3.6%*	*3.9%*	*1.5%*	*2.7%*	*3.1%*	*2.6%*	*3.3%*	*3.5%*
Consumption Expenditures	105.051	105.220	105.734	106.076	107.084	108.089	108.484	109.326	109.936	110.832	111.846	112.637
% Ch	*3.0%*	*0.6%*	*2.0%*	*1.3%*	*3.9%*	*3.8%*	*1.5%*	*3.1%*	*2.3%*	*3.3%*	*3.7%*	*2.9%*
Durable Goods	93.906	92.879	91.833	90.868	90.898	90.866	90.310	90.449	90.648	90.527	89.839	89.659
% Ch	*-4.3%*	*-4.3%*	*-4.4%*	*-4.1%*	*0.1%*	*-0.1%*	*-2.4%*	*0.6%*	*0.9%*	*-0.5%*	*-3.0%*	*-0.8%*
Nondurable Goods	104.179	103.560	104.356	104.509	106.031	107.744	107.781	108.982	109.327	110.854	112.985	113.218
% Ch	*5.6%*	*-2.4%*	*3.1%*	*0.6%*	*6.0%*	*6.6%*	*0.1%*	*4.5%*	*1.3%*	*5.7%*	*7.9%*	*0.8%*
Services	108.036	108.887	109.647	110.414	111.402	112.303	113.120	113.955	114.803	115.633	116.508	117.834
% Ch	*3.4%*	*3.2%*	*2.8%*	*2.8%*	*3.6%*	*3.3%*	*2.9%*	*3.0%*	*3.0%*	*2.9%*	*3.1%*	*4.6%*
Consumer Price Index	1.832	1.833	1.844	1.849	1.866	1.884	1.894	1.911	1.922	1.940	1.966	1.982
% Ch	*4.0%*	*0.1%*	*2.5%*	*1.0%*	*3.7%*	*4.1%*	*2.1%*	*3.5%*	*2.5%*	*3.7%*	*5.5%*	*3.2%*
SELECTED INTEREST RATES												
Federal Funds	1.3%	1.2%	1.0%	1.0%	1.0%	1.0%	1.4%	2.0%	2.5%	2.9%	3.5%	4.0%
NY Fed Discount	2.1%	2.2%	2.0%	2.0%	2.0%	2.0%	2.4%	2.9%	3.4%	3.9%	4.4%	5.0%
Prime	4.3%	4.2%	4.0%	4.0%	4.0%	4.0%	4.4%	4.9%	5.4%	5.9%	6.4%	7.0%
Existing Home Mortgage	5.9%	5.6%	5.7%	5.8%	5.6%	5.7%	5.8%	5.7%	5.8%	5.8%	5.8%	6.2%
U.S. Govt. 3-Month Bills	1.2%	1.0%	0.9%	0.9%	0.9%	1.1%	1.5%	2.0%	2.5%	2.9%	3.4%	3.8%
U.S. Govt. 6-Month Bills	1.2%	1.1%	1.0%	1.0%	1.0%	1.3%	1.7%	2.2%	2.8%	3.1%	3.6%	4.1%
U.S. Govt. 5-Year Notes	2.9%	2.6%	3.1%	3.3%	3.0%	3.7%	3.5%	3.5%	3.9%	3.9%	4.0%	4.4%
U.S. Govt. 10-Year Notes	3.9%	3.6%	4.2%	4.3%	4.0%	4.6%	4.3%	4.2%	4.3%	4.2%	4.2%	4.5%
SELECTED US PRODUCTION INDICES												
Wood Products	97.2	96.8	98.8	102.5	103.5	105.3	105.1	105.5	106.4	105.0	105.4	113.4
% Ch	*-5.1%*	*-1.9%*	*8.5%*	*15.8%*	*4.1%*	*7.0%*	*-0.5%*	*1.6%*	*3.4%*	*-5.2%*	*1.3%*	*34.0%*
Computers & Electronic Products	107.6	109.7	114.5	118.6	123.3	127.8	134.2	137.7	146.1	151.8	159.6	169.4
% Ch	*21.5%*	*7.9%*	*18.6%*	*15.1%*	*16.8%*	*15.4%*	*21.6%*	*10.9%*	*27.0%*	*16.2%*	*22.3%*	*27.0%*
Food	99.8	99.8	99.4	99.2	99.7	100.9	101.5	101.2	102.5	102.7	103.2	104.3
% Ch	*-1.3%*	*0.1%*	*-1.8%*	*-0.6%*	*2.0%*	*4.9%*	*2.2%*	*-1.1%*	*5.3%*	*0.9%*	*1.7%*	*4.4%*
Agricultural Chemicals	102.9	105.5	103.3	104.1	106.5	106.4	107.2	108.3	110.2	110.6	110.4	103.0
% Ch	*1.5%*	*10.6%*	*-8.2%*	*3.0%*	*9.6%*	*-0.4%*	*3.2%*	*4.0%*	*7.1%*	*1.8%*	*-1.0%*	*-24.3%*
Metal Ore Mining	98.3	93.8	95.6	89.6	91.8	92.3	94.5	97.2	100.2	101.8	100.9	98.5
% Ch	*-7.8%*	*-17.2%*	*8.1%*	*-23.1%*	*10.5%*	*2.3%*	*9.8%*	*12.0%*	*13.1%*	*6.5%*	*-3.4%*	*-9.4%*

IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2006

MISCELLANEOUS

	2006 Q1	2006 Q2	2006 Q3	2006 Q4	2007 Q1	2007 Q2	2007 Q3	2007 Q4	2008 Q1	2008 Q2	2008 Q3	2008 Q4
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	114.409	115.284	115.904	116.421	117.284	117.909	118.368	118.881	119.487	120.051	120.614	121.161
% Ch	*3.1%*	*3.1%*	*2.2%*	*1.8%*	*3.0%*	*2.1%*	*1.6%*	*1.7%*	*2.1%*	*1.9%*	*1.9%*	*1.8%*
Consumption Expenditures	113.195	114.359	114.901	115.102	115.823	116.401	116.880	117.385	117.951	118.439	118.948	119.377
% Ch	*2.0%*	*4.2%*	*1.9%*	*0.7%*	*2.5%*	*2.0%*	*1.7%*	*1.7%*	*1.9%*	*1.7%*	*1.7%*	*1.4%*
Durable Goods	89.490	89.380	89.233	89.139	89.080	88.983	88.845	88.683	88.540	88.395	88.234	88.047
% Ch	*-0.8%*	*-0.5%*	*-0.7%*	*-0.4%*	*-0.3%*	*-0.4%*	*-0.6%*	*-0.7%*	*-0.6%*	*-0.7%*	*-0.7%*	*-0.8%*
Nondurable Goods	113.522	115.814	116.285	115.265	115.692	115.929	116.185	116.516	116.923	117.134	117.422	117.501
% Ch	*1.1%*	*8.3%*	*1.6%*	*-3.5%*	*1.5%*	*0.8%*	*0.9%*	*1.1%*	*1.4%*	*0.7%*	*1.0%*	*0.3%*
Services	118.708	119.604	120.358	121.268	122.341	123.265	124.015	124.780	125.609	126.400	127.195	127.962
% Ch	*3.0%*	*3.1%*	*2.5%*	*3.1%*	*3.6%*	*3.1%*	*2.5%*	*2.5%*	*2.7%*	*2.5%*	*2.5%*	*2.4%*
Consumer Price Index	1.993	2.018	2.027	2.028	2.044	2.055	2.063	2.072	2.081	2.089	2.098	2.104
% Ch	*2.2%*	*5.1%*	*1.9%*	*0.2%*	*3.0%*	*2.2%*	*1.6%*	*1.7%*	*1.9%*	*1.5%*	*1.6%*	*1.3%*
SELECTED INTEREST RATES												
Federal Funds	4.5%	4.9%	5.4%	5.5%	5.5%	5.4%	5.2%	4.8%	4.8%	4.8%	4.8%	4.8%
NY Fed Discount	5.4%	5.9%	6.4%	6.5%	6.5%	6.4%	6.2%	5.8%	5.8%	5.8%	5.8%	5.8%
Prime	7.4%	7.9%	8.4%	8.5%	8.5%	8.4%	8.2%	7.8%	7.8%	7.8%	7.8%	7.8%
Existing Home Mortgage	6.4%	6.6%	6.8%	6.9%	6.9%	6.9%	6.9%	6.9%	6.9%	7.0%	7.0%	7.1%
U.S. Govt. 3-Month Bills	4.4%	4.7%	5.1%	5.4%	5.4%	5.2%	4.9%	4.7%	4.7%	4.7%	4.7%	4.7%
U.S. Govt. 6-Month Bills	4.5%	4.8%	5.2%	5.4%	5.4%	5.3%	5.0%	4.8%	4.8%	4.8%	4.8%	4.8%
U.S. Govt. 5-Year Notes	4.5%	5.0%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%
U.S. Govt. 10-Year Notes	4.6%	5.1%	5.3%	5.4%	5.4%	5.3%	5.3%	5.3%	5.3%	5.4%	5.4%	5.5%
SELECTED US PRODUCTION INDICES												
Wood Products	109.9	108.8	109.3	107.9	105.8	104.0	102.3	101.7	101.3	101.1	100.7	100.4
% Ch	*-11.8%*	*-4.0%*	*2.0%*	*-5.0%*	*-7.7%*	*-6.6%*	*-6.4%*	*-2.3%*	*-1.3%*	*-1.0%*	*-1.4%*	*-1.3%*
Computers & Electronic Products	173.8	178.8	183.9	188.7	193.6	198.7	203.9	209.1	214.0	218.9	224.1	229.6
% Ch	*10.7%*	*12.1%*	*12.1%*	*10.7%*	*10.8%*	*11.2%*	*10.9%*	*10.4%*	*9.7%*	*9.5%*	*9.8%*	*10.3%*
Food	105.9	106.4	106.6	107.0	107.4	107.9	108.5	109.0	109.5	110.0	110.4	110.9
% Ch	*6.2%*	*2.0%*	*0.7%*	*1.4%*	*1.6%*	*1.9%*	*2.0%*	*2.1%*	*1.9%*	*1.8%*	*1.5%*	*1.6%*
Agricultural Chemicals	107.2	107.2	106.7	106.2	105.7	105.2	104.5	103.9	103.4	102.9	102.6	102.5
% Ch	*17.8%*	*0.0%*	*-2.0%*	*-2.0%*	*-1.8%*	*-2.0%*	*-2.5%*	*-2.2%*	*-2.0%*	*-1.8%*	*-1.3%*	*-0.5%*
Metal Ore Mining	101.2	104.6	107.1	108.8	110.0	110.6	110.8	110.9	111.0	111.0	111.1	111.4
% Ch	*11.5%*	*14.3%*	*9.9%*	*6.4%*	*4.4%*	*2.2%*	*0.8%*	*0.5%*	*0.2%*	*0.2%*	*0.4%*	*0.8%*

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2006

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APPENDIX

THE GLOBAL INSIGHT U.S. MACROECONOMIC MODEL

Global Insight's Macroeconomic Model is a multiple-equation model of the U.S. economy. Consisting of over 1,200 equations, the model is solved iteratively to generate the results of different policy and forecast scenarios. The model incorporates the best insights of many theoretical schools of thought to depict the economic decision processes and interactions of households, businesses, and governments.

The Global Insight model is divided into the following eight major sectors:

- **I Private Domestic Spending**
- **II Production and Income**
- **III Taxes**
- **IV International Transactions**
- **V Financial**
- **VI Inflation**
- **VII Supply**
- **VIII Expectations**

I. **Private Domestic Spending.** Major aggregate demand components include consumption, investment, and government. Consumer purchases are divided among three categories: durable goods, nondurable goods, and services. In nearly all cases, real expenditures are influenced by real income and the relative price of consumer goods. Durable and semidurable goods are also sensitive to household net worth, current finance costs, and consumer sentiment.

Global Insight divides investment into two general categories: fixed investment and inventories. The former is driven by utilization rates, capital stock, relative prices, financial market conditions, financial balance sheet conditions, and government policies. Inventory investment is heavily influenced by such factors as past and present sales levels, vendor performance, and utilization rates.

The government sector is divided into federal government and state and local government. Most of the federal expenditure side is exogenous. Federal receipts are endogenous and divided into personal taxes, corporate taxes, indirect business taxes, and contributions for social insurance. State and local sector receipts depend primarily on federal grants and various tax rates and bases. State and local government spending is driven by legal requirements (i.e., balanced budgets), the level of federal grants (due to the matching requirements of many programs), population growth, and trend increases in personal income.

II. **Production and Income.** The industrial production sector includes 74 standard industrial classifications. Production is a function of various cyclical and trend variables and a generated output term, i.e., the input-output (I-O) relationship between the producing industry and both intermediate industries and final demand. The cyclical and trend variables correct for changes in I-O coefficients that are implied by the changing relationship between buyers and sellers.

Pre-tax income categories include private and government wages, corporate profits, interest rate, and entrepreneurial returns. Each of these categories, except corporate profits, is determined by some combination of wages, prices, interest rates, debt levels, capacity utilization rate, and unemployment rate. Corporate profits are calculated as the residual of total national income less the nonprofit components of income mentioned above.

III. **Taxes.** The model tracks personal, corporate, payroll, and excise taxes separately. Tax revenues are simultaneously forecast as the product of the rate and the associated pre-tax income components. The model automatically adjusts the effective average personal tax rate for variations in inflation and income per household, and the effective average corporate rate for credits earned on equipment, utility structures, and R&D. State taxes are fully endogenous, except for corporate profits and social insurance tax rates.

IV. **International.** The international sector can either add or divert strength from the central flow of domestic income and spending. Imports' ability to capture varying shares of domestic demand depends on the prices of foreign output, the U.S. exchange rate, and competing domestic prices. Exports' portion of domestic spending depends on similar variables and the level of world gross domestic product. The exchange rate itself responds to international differences in inflation, interest rates, trade deficits, and capital flows between the U.S. and its competitors. Investment income flows are also explicitly modeled.

V. **Financial.** The Global Insight model includes a highly detailed financial sector. Several short- and long-term interest rates are covered in this model, and they are the key output of this sector. The short-term rates depend upon the balance between the demand and supply of reserves in the banking system. The supply of reserves is the primary exogenous monetary policy lever within the model, reflecting the Federal Reserve's open market purchases or sales of Treasury securities. Longer-term interest rates are driven by shorter-term rates as well as factors affecting the slope of the yield curve. These factors include inflation expectations, government borrowing requirements, and corporate finance needs.

VI. **Inflation.** Inflation is modeled as a controlled, interactive process involving wages, prices, and market conditions. The principal domestic cost influences are labor compensation, nonfarm productivity, and foreign input costs that later are driven by the exchange rate, the price of oil, and foreign wholesale price inflation. This set of cost influences drives each of the industry-specific producer price indexes, in combination with a demand pressure indicator and appropriately weighted composites of the other producer price indexes.

VII. **Supply.** In this model, aggregate supply (or potential GNP), is estimated by a Cobb-Douglas production function that combines factor input growth and improvements to total factor productivity. Factor input equals a weighted average of labor, business fixed capital, and energy. Factor supplies are defined by estimates of the full employment labor force, the full employment capital stock net of pollution abatement equipment, the domestic production of petroleum and natural gas, and the stock of infrastructure. Total factor productivity depends upon the stock of research and development capital and trend technological change.

VIII. **Expectations.** Expectations impact several expenditure categories in the model, but the principal nuance relates to the entire spectrum of interest rates. Shifts in price expectations or the expected government capital needs influences are captured directly in this model through price expectations and budget deficit terms. The former impacts all interest rates and the latter impacts intermediate- and long-term rates. On the expenditure side, inflationary expectations impact consumption via consumer sentiment, while growth expectations affect business investment.

THE IDAHO ECONOMIC MODEL

The Idaho Economic Model (IEM) is an income and employment based model of Idaho's economy. The Model consists of a simultaneous system of linear regression equations, which are estimated using quarterly data. The primary exogenous variables are obtained from the Global Insight U.S. Macroeconomic Model. Endogenous variables are forecast at the statewide level of aggregation.

The focal point of the IEM is Idaho personal income, which is given by the identity:

> **personal income = wage and salary payments + other labor income + farm proprietors' income + nonfarm proprietors' income + property income + transfer payments - contributions for social insurance + residence adjustment.**

With the exception of farm proprietors' income and wage and salary payments, each of the components of personal income is estimated stochastically by a single equation. Farm proprietors' income and wage and salary payments each comprise submodels containing a system of stochastic equations and identities.

The farm proprietor sector is estimated using a highly-aggregated submodel consisting of equations for crop marketing receipts, livestock marketing receipts, production expenses, inventory changes, imputed rent income, corporate farm income, and government payments to farmers. Farm proprietors' income includes inventory changes and imputed rent, but this component is netted out of the tax base.

At the heart of the IEM is the wage and salary sector, which includes stochastic employment equations for 23 North American Industry Classification System employment categories. Conceptually, the employment equations are divided into basic and domestic activities. The basic employment equations are specified primarily as functions of national demand and supply variables. Domestic employment equations are specified primarily as functions of state-specific demand variables. Average annual wages are estimated for several broad employment categories and are combined with employment to arrive at aggregate wage and salary payments.

The demographic component of the model is used to forecast components of population change and housing starts. Resident population, births, and deaths are modeled stochastically. Net migration is calculated residually from the estimates for those variables. Housing starts are divided into single and multiple units. Each equation is functionally related to economic and population variables.

The output of the IEM (i.e., the forecast values of the endogenous variables) is determined by the parameters of the equations and the values of exogenous variables over the forecast period. The values of equation parameters are determined by the historic values of both the exogenous and endogenous variables. IEM equation parameters are estimated using the technique of ordinary least squares. Model equations are occasionally respecified in response to the dynamic nature of the Idaho and national economies. Parameter values for a particular equation (given the same specification) may change as a result of revisions in the historic data or a change in the time interval of the estimation. In general, parameter values should remain relatively constant over time, with changes reflecting changing structural relationships.

While the equation parameters are determined by structural relationships and remain relatively fixed, the forecast period exogenous variable values are more volatile determinants of the forecast values of endogenous variables. They are more often subject to change as expectations regarding future economic behavior change, and they are more likely to give rise to debate over appropriate values. As mentioned above, the forecast period values of exogenous variables are primarily obtained from Global Insight's U.S. macroeconomic model.

Since the output of the IEM depends in large part upon the output of the Global Insight model, an understanding of the Global Insight model, its input assumptions, and its output is useful in evaluating the results of the IEM's forecast. The assumptions and output of the Global Insight model are discussed in the National Forecast section.

IDAHO ECONOMIC MODEL

EEA_ID = EEA_ID_GOODS + EEA_ID_NONGOODS

EEA_ID_2100 = 3756.170 + 35.092*ID0IP2122_2123 – 3592.187*(JULCNF/WPI10) – 17.062*(IPSG21/ENRM21)
 + 13.231*TREND

EEA_ID_2300 = 15896.610 + 428.758*ID0HSPRS1_A + 367.507*ID0HSPRS1_A(-1) + 306.256*ID0HSPRS1_A(-2)
+ 245.005*ID0HSPRS1_A(-3) + 183.753*ID0HSPRS1_A(-4) + 122.502*ID0HSPRS1_A(-5)
+ 61.251*ID0HSPRS1_A(-6)

EEA_ID_3110 = 20472.000 + 229.171*MOVAV(IPSG311,4) – 335.247*IPSG311/EMN311-40.943*TREND

EEA_ID_3230 = 2260.572 + 17.973*MOVAV(IPSG323,4) – 14.417* MOVAV(IPSG323,8)/MOVAV(EMN323,8)

EEA_ID_3250 = 2383.793 + 15.880*MOVAV(IPSG3253(-1),4) – 1966.268*DUM951ON

EEA_ID_3320 = -1525.860 + 51.072*MOVAV(IPSG332,2)

EEA_ID_3330 = 983.986 + 29.283*IPSG333 – 9.752*TREND

EEA_ID_3340 = 12509.270 + 152.212*MOVAV(IPSG3341,4) + 12.944*DUM911011* MOVAV(IPSG3341,4)
-166.442*IPSG3341/EMD334

EEA_ID_4200 = 6300.244 + 0.312*EEA_ID_44_45 – 28.265*TREND

EEA_ID_44_45 = 34985.170 + 329.400*MOVAV(YPADJ_ID,4)/MOVAV(JPC,4) – 507.552*TREND

EEA_ID_48_49_22 = -7130.418 + 0.964*EEA_ID_4200 + 3.609*MOVAV(ID0KHU,4)

EEA_ID_5100 = -5779.372 + 48.571*MOVAV(IPSG51111,4) + 77.741*TREND

EEA_ID_52_53 = -9555.322 – 5745.451*DUM981ON + 2090.838*(DUM9801004*MOVAV(SP500/SP500(-2),2)
 + 92.204*ID0KHU

EEA_ID_54_55_56 = -39327.670 + 157.096*YPADJ_ID/JPC + 196.031*MOVAV(RADR,8)

EEA_ID_61_62 = -51320.38 + 72.618*ID0NPT + 64404.79*YPADJ_ID/JPC

EEA_ID_71_72 = -49978.400 + 126759.900*ID0NPT – 498.775*TREND

EEA_ID_8100 = 4868.667 + 85.021*MOVAV(YPADJ_ID,4)/MOVAV(JPC,4) + 119.817*DUM931964
- 107.519*TREND

EEA_ID_DMANU = EEA_ID_WOOD + EEA_ID_3320 + EEA_ID_3330 + EEA_ID_3340 + EEA_ID_MFDNEC

EEA_ID_GOODS = EEA_ID_MANU + EEA_ID_2300 + EEA_ID_2100

EEA_ID_GV = EEA_ID_GVSL + EEA_ID_GVF

EEA_ID_GVF = -3267.024 + 1234412.000*EG91*(ID0NPT/N) + 5.215*TREND

EEA_ID_GVSL = EEA_ID_GVSLAD + EEA_ID_ GVSLED

EEA_ID_GVSLAD = -4757.116 + 34092.750*ID0NPT+ 0.296*MOVAV(ID0YPTXB(-4),4)

EEA_ID_GVSLED = 10889.880 + 33946.290*ID0NPT*((N-N16A)/N) +0.537*MOVAV(ID0YPTXB(-4),2) +109.778*TREND

EEA_ID_MANU = EEA_ID_DMANU + EEA_ID_NMANU

EEA_ID_MFDNEC = -2645.133+ 115.267*MOVAV(ID0IPMFDNEC,2)

EEA_ID_MFNNEC = 974.705 + 1.522*(CNCSR+CNOOR) + 23.110*MOVAV(IPSG322,2)

EEA_ID_NMANU = EEA_ID_3110 + EEA_ID_3230 + EEA_ID_3250 + EEA_ID_MFNNEC

EEA_ID_NONGOODS = EEA_ID_SV + EEA_ID_4200 + EEA_ID_44_45 + EEA_ID_GV

EEA_ID_SV = EEA_ID_48_49_22 + EEA_ID_5100 + EEA_ID_52_53 + EEA_ID_54_55_56 + EEA_ID_61_62 + EEA_ID_71_72 + EEA_ID_8100

EEA_ID_WOOD = 18620.460 + 129.383*MOVAV(IPSG321,2) – 7056.223*(JULCNF/WPI08) – 53.829*IPSG321/EMD321 – 56.934*TREND

ID0AHEMF = -2.326 + 14.474*(EEA_ID_DMANU(-1)/EEA_ID_MANU(-1)*JULCNF) + 12.894*(EEA_ID_NMANU(-1)/EEA_ID_MANU(-1)*JULCNF)

ID0CRCROP = -83878.880 + 0.0130*CRCROP + 520579.400*WPI01

ID0CRLVSTK = -266035.900 + 0.018*(CRCATCVS+CRDAIRY) + 8904.494*TREND

ID0EXFP = -51876.460 + 1033427.000*WPI01 + 19693.520*TREND

ID0HSPR = ID0HSPRS1_A + ID0HSPRS2A_A

ID0HSPRS1_A = -45.715 – 0.673*(RMMTGEXIST - MOVAV(RMMTGEXIST(-1),4))
+ 147.152*(MOVAV(ID0NPT(-1),4) - MOVAV(ID0NPT(-5),4)) + 0.391*ID0KHU(-1) - 0.630*TREND

ID0HSPRS2A_A = 5.266 + 37.019*(MOVAV(ID0NPT(-1),4) - MOVAV(ID0NPT(-5),4))
– 0.227*MOVAV(RMMTGEXIST,4) – 0.003*TREND* RMMTGEXIST

ID0KHU = ID0KHU1 + ID0KHU2A

ID0KHU1 = ((0.997)^0.25) * ID0KHU1(-1) + ID0HSPRS1_A / 4

ID0KHU2A = ((0.997)^0.25) * ID0KHU2A(-1) + ID0HSPRS2A_A / 4

ID0NB = -10.307 + 38.828*ID0NPT – 0.157*TREND

ID0ND = 0.910 + 5.752*ID0NPT + 0.009*TREND

ID0NMG = (ID0NPT-ID0NPT(-4)) - (ID0NB - ID0ND) / 1000

ID0NPT = 0.492+ 0.000006*EEA_ID+0.002*TREND

ID0WBB$ = ID0WBBMF$ + ID0WBBOTH$ + ID0WBBCC$ + ID0WBBF$ + ID0WBBMIL$

ID0WBBCC$ = (ID0WRWCC$ * EEA_ID_2300) / 1000000

ID0WBBF$ = -92.216+ 277.417*WPI02

ID0WBBMF$ = (ID0WRWMF$ * EEA_ID_MANU) / 1000000

ID0WBBMIL$ = 7.4661 + 299.090*(ID0NPT/N)*GFMLCWSS

ID0WBBOTH$ = ID0WRWOTH$ * (EEA_ID - EEA_ID_2300 - EEA_ID_MANU) / 1000000

ID0WRWCC$ = -326.317 + 2270.794*ID0AHEMF

ID0WRWMF$ = -10703.22 + 3672.345*ID0AHEMF

ID0WRWOTH$ = -15065.87 + 3052.786*ID0AHEMF

ID0YDIR$ = -56.739 +1.053*(YPAINT+ZADIV+YPRENTADJ)*MOVAV(ID0YP$(-1),4)/MOVAV(YP(-1),4)

ID0YFC$ = -23654.050 + 0.930*ID0YFC$(-1) + 35818.350*WPI01

ID0YINV_R$ = -34431.500 + 0.818*ID0YINV_R$(-1) + 65808.35*WPI01

ID0YP = ID0YP$ / JPC*100

ID0YP$ = ID0WBB$ + ID0YSUP$ + ID0YDIR$ + ID0YPRNF$ + ID0YPRF$ + ID0YTR$ + ID0YRA$ - ID0YSI$

ID0YP$PC = ID0YP$ / ID0NPT

ID0YPNF = ID0YPNF$ / JPC*100

ID0YPNF$ = ID0YP$ - ID0YPRF$ - ID0WBBF$

ID0YPNFPC = ID0YPNF$ / JPC*100 / ID0NPT

ID0YPPC = ID0YP / ID0NPT

ID0YPRF$ = 135.913 + 0.176*((ID0CRCROP+ID0CRLVSTK+ID0YTRF$+ID0YINV_R$-ID0YFC$-ID0EXFP)/1000) + 2.938*TREND

ID0YPRNF$ = 56.419 + 4.347*YPPROPADJNF

ID0YPTXB = (ID0WBB$ + ID0YPRNF$ + ID0YDIR$ + (ID0YPRF$ - ID0YINV_R$ / 1000)) / JPC*100

ID0YRA$ = -89.026 + 0.035*ID0WBB$

ID0YSI$ = -18.530 + 2.254*TXSIEC*ID0WBB$/YPCOMPWSD

ID0YSUP$ = 42.979 + 1.575*YPCOMPSUPPAI*ID0WBB$/YPCOMPWSD

ID0YTR$ = -9.222 + 843.599*(YPTRFGF+YPTRFGSL)*(ID0NPT/N)

ID0YTRF$ = 19018.070 + 0.011*TRF$

IDWAGE = (ID0WBB$ - ID0WBBF$ - ID0WBBMIL$) / EEA_ID * 1000000

YPADJ_ID = ID0YPNF$ + MOVAV(ID0YPRF$,4) + MOVAV(ID0WBBF$,4)

ENDOGENOUS VARIABLES

EEA_ID	Employment on nonagricultural payrolls, total
EEA_ID_2100	Employment in mining
EEA_ID_2300	Employment in construction
EEA_ID_3110	Employment in food processing
EEA_ID_3230	Employment in printing
EEA_ID_3250	Employment in chemicals
EEA_ID_3320	Employment in fabricated metal products
EEA_ID_3330	Employment in machinery
EEA_ID_3340	Employment in computers and electronic products
EEA_ID_4200	Employment in wholesale trade
EEA_ID_44_45	Employment in retail trade
EEA_ID_48_49_22	Employment transportation, warehousing, and utilities
EEA_ID_5100	Employment in information
EEA_ID_52_53	Employment in finance, insurance, and real estate
EEA_ID_54_55_56	Employment in professional, scientific, and technical services
EEA_ID_61_62	Employment in health care and educational services
EEA_ID_71_72	Employment in leisure and hospitality
EEA_ID_8100	Employment in other services
EEA_ID_DMANU	Employment in durable goods manufacturing
EEA_ID_GOODS	Employment in goods producing
EEA_ID_GV	Employment in government
EEA_ID_GVF	Employment in federal government
EEA_ID_GVSL	Employment in state and local government
EEA_ID_GVSLAD	Employment in state and local government, administration
EEA_ID_GVSLED	Employment in state and local government, education
EEA_ID_MANU	Employment in manufacturing
EEA_ID_MFDNEC	Employment in other durable manufacturing
EEA_ID_MFNNEC	Employment in other nondurable manufacturing
EEA_ID_NMANU	Employment in nondurable manufacturing
EEA_ID_NONGOODS	Employment in non-goods producing
EEA_ID_SV	Employment in services
EEA_ID_WOOD	Employment in wood products and logging
ID0AHEMF	Average hourly earnings in manufacturing
ID0CRCROP	Cash receipts, crops, not seasonally adjusted
ID0CRLVSTK	Cash receipts, livestock, not seasonally adjusted
ID0EXFP	Farm production expenses
ID0HSPR	Housing starts, total
ID0HSPRS1_A	Adjusted housing starts, single units
ID0HSPRS2A_A	Adjusted housing starts, multiple units
ID0KHU	Housing stock, total
ID0KHU1	Housing stock, single units
ID0KHU2A	Housing stock, multiple units
ID0NB	Number of births
ID0ND	Number of deaths
ID0NMG	Net in-migration of persons
ID0NPT	Resident population

ID0WBB$	Wage and salary disbursements
ID0WBBCC$	Wage and salary disbursements, construction
ID0WBBF$	Wage and salary disbursements, farm
ID0WBBMF$	Wage and salary disbursements, manufacturing
ID0WBBMIL$	Wage and salary disbursements, military
ID0WBBOTH$	Wage and salary disbursements, except farm, manufacturing, and construction
ID0WRWCC$	Average annual wage, construction
ID0WRWMF$	Average annual wage, manufacturing
ID0WRWOTH$	Average annual wage, except manufacturing, construction, and farm
ID0YDIR$	Dividend, interest, and rent income
ID0YFC$	Corporate farm income
ID0YINV_R$	Farm inventory value changes, imputed rent, and income
ID0YP	Total personal income, 2000 dollars
ID0YP$	Total personal income
ID0YP$PC	Per capita personal income
ID0YPNF	Nonfarm personal income, 2000 dollars
ID0YPNF$	Nonfarm personal income
ID0YPNFPC	Per capita nonfarm income, 2000 dollars
ID0YPPC	Real per capita personal income
ID0YPRF$	Net farm proprietors' income
ID0YPRNF$	Nonfarm proprietors' income
ID0YPTXB	Tax base, 2000 dollars
ID0YRA$	Residence adjustment, personal income
ID0YSI$	Contributions for social insurance
ID0YSUP$	Other labor income
ID0YTR$	Transfer payments to persons
ID0YTRF$	Government payments to Idaho farmers
IDWAGE	Average annual wage
YPADJ_ID	Adjusted total personal income